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The Nation's Business

- C.I.O. Fight Not Only Issue in Labor Drama
- Industrialists Being Misrepresented
- Should Make Views Clear and Candid
- A Suggestion for the Wheat Probe
- Union Government; Ontario Proposal

Let's Be Frank About Labor Problems

THE current drive of the Committee for Industrial Organization to attain a position of dominance in Canadian industry is but one aspect of present labor problems. John L. Lewis's ambitions have received a major set-back. It is not so certain that the principle of collective bargaining has also received a set-back.

The resistance of Premier Hepburn and Premier Duplessis to the C.I.O. is the stronger because of the statement made in the House of Commons by the Minister of Justice, when he indicated that all the forces of the law in Canada would be on the side of peace and order in industrial disputes. In the United States, state and local officials have had no support from Washington.

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THE C.I.O. is being fought by Premiers Hepburn and Duplessis and by Canadian Industrialists generally because:

1. Its record to date is one of intimidation, violence and law-breaking across the line. Only by quick, energetic defenses has Canada been protected from similar lawlessness under C.I.O. inspiration.
2. Too many of its active agents are men with records as agitators, Communists and law-breakers. Until the C.I.O. purges its ranks of such undesirables there will be no assurance that the interests of Canadian labor will not be jeopardized by association with the C.I.O.
3. The mass organization of Labor under a single dictator—with obvious political ambitions so far as the United States is concerned—offers cogent reasons for Canadians to ponder what C.I.O. domination may ultimately mean to government in Canada. The Lewis set-up carries a threat of class warfare, which Canada does not want. Equally potent is the danger of the Lewis organization becoming a political dictatorship, domiciled in the United States, but seeking to spread its power over both of these countries.

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IT WILL be noted that these formidable obstacles to public approval in Canada of the C.I.O. drive represent something quite apart from the major issue of collective bargaining and the spread of unionization in Canada. There has been a good deal of confusion as to the issues involved in recent events. As a result of this confusion, many people and newspapers which have been unfriendly to the C.I.O. in its activities to date have been accused of hostility to Labor and of undying opposition to organization by Labor. This does an injustice to enlightened employers, who, whatever their views on unions, regard their workers as partners, entitled to all the benefits the industry can earn and share.

Selfish, obscurantist opposition to the improvement of the position of the worker is confined to such narrow limits as to be a matter of little consequence in Canada. Even Mr. Lewis's agents—in most of their drives and strikes—have had nothing to fight for except the single objective of recognition of the C.I.O. as the sole spokesman for workers. They have found few industries where they could honestly speak of low wages, long hours, unpleasant working conditions. Most employers already recognize that industry is a partnership of capital, management, labor and consumers and do not need Labor organizers to tell them so. Opposition to the C.I.O.—while under its present leaders and run on its present lines—is not opposition to Labor.

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HOW many of those opposed to the C.I.O. are also opposed to collective bargaining by such outside agencies as craft or other unions is another question, difficult to answer. The Financial Post is now seeking to obtain the views of Canadian industry as a whole on the question of collective bargaining and union recognition, and hopes shortly to present a survey of such opinions. It invites all employers—large and small—to send in their views, whether for publication or in confidence, to enable a consensus to be reached.

The Canadian Manufacturers' Association will shortly meet in its annual convention. It would be a splendid thing if this body, which is widely regarded as the chief spokesman for Canadian industry, would devote the major portion of its sessions to a frank, thorough discussion of the present situation. Representatives of Labor unions, of farmers, and of consumers should be invited to express their views.

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THE industrialist who has come to the conclusion that the widest acceptance of the principle of collective bargaining will provide the greatest assurance of industrial peace and fair conditions ought to say so frankly. On the other hand, the em-

(Continued on page 2, col. 3)

Ottawa Sees New Grouping For Provinces

Yukon-B.C. Merger May be First of Several Moves

PRAIRIES INVOLVED

From Our Own Correspondent

OTTAWA. — When the proposal for the annexation of the Yukon territories to the province of British Columbia comes before the next session of the Federal Parliament, it is likely that one of the grounds upon which the Federal Government will defend it will be as a first step in the direction of a more logical regrouping of existing local governments west of the Great Lakes.

The stand will be taken by the King Government that, geographically, the Yukon belongs naturally to British Columbia. And the suggestion will probably be made at the same time that, ultimately, Alberta should also merge with the Pacific coast province to form one integral economic unit devoted principally to mining, livestock, lumbering, and fruit growing.

Manitoba and Saskatchewan

Then, still applying the principle of geographic logic, the Ministry will likely propose that Manitoba and Saskatchewan, the two great prairie, wheat-growing, provinces should concern a merger in the interests of reducing the governmental overhead which the people of the West have been finding so burdensome.

Such an ultimate regrouping of western local governments, with lower costs and greater solvency resulting, is the undoubted hope of those on Parliament Hill who for the past several years have been wrestling with the problem of western provincial solvency.

Political Exigency

At the same time, it is believed that the real motive for the start now being made with the Yukon and British Columbia lies in the political exigency facing Hon. Duff Pattullo, British Columbian Premier. Despite the fact that the Yukon, from a revenue standpoint, has been a losing proposition for the Dominion to the tune of upward of $300,000 annually, there is said to be a strong sentiment in British Columbia for its annexation.

The reason lies largely in the belief that if the mineral resources of the Yukon territory were opened up by a road running up through British Columbia from Vancouver, they would afford employment and opportunity for thousands of B.C. men and youths who now are idle. Hitherto the province has never been able to enlist the co-operation of the Federal Government for the construction of such a highway. The belief is that, with the Federal promise to annex the Yukon to British Columbia, Premier Pattullo will pledge himself, in the election campaign now pending, to construct this highway as a provincial undertaking if returned to power.

Federal Loan Offer Made

Aims at Conversion of Part of Dec. 1 Maturity

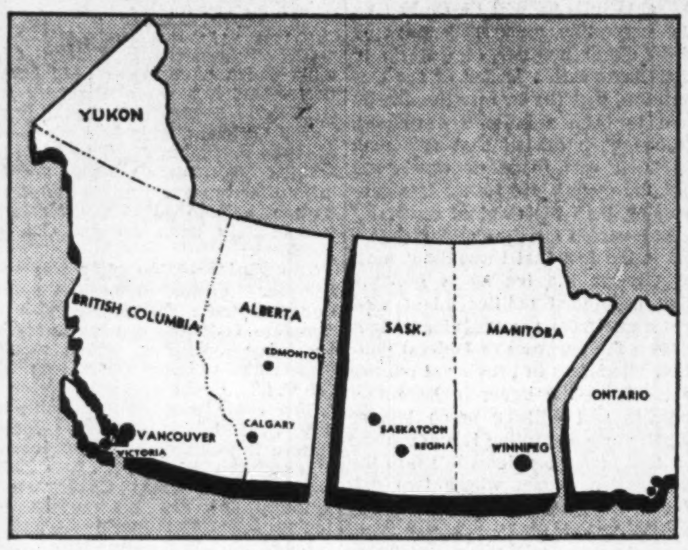
Conversion of a large portion of the $236 millions issue of Dominion of Canada 5½% tax free bonds which mature Dec. 1 next, is the aim of the conversion offering of 1%, 2% and 3¼% bonds which the Federal Government is making through the Bank of Canada.

No cash subscription will be received, the offering being a straight conversion. Under the conversion offer holders of the 5½% bonds due Dec. 1 have the privilege of converting their holdings into two-year 1% bonds, five-year 2% bonds or 12-year 3¼% bonds.

The two-year 1% bonds are priced at 99.25 to yield 1.38% the five-year 2% bonds at 98.25 to yield 2.375%; and the 12-year 3¼% bonds at 99 to yield 3.35%.

As an inducement for converting their holdings at this time investors are being offered a premium of 2¼%, the 5½% bonds with final coupons due Dec. 1 attached being valued at 102.25 for conversion purposes.

Revamping Canadian West



Announcement of a probable merger between Yukon and British Columbia has opened up a possible larger plan for a new geographical grouping of Canadian provinces west of the Great Lakes. Much water will go under the bridge before anything definite can be undertaken, but the above map shows briefly a possible new alignment as discussed by our Ottawa correspondent elsewhere on this page.

Commissioner Plans Vigorous Enforcement Of New Combines Act

Promises Free Competition Without Harrying of Business

AVOID CRUSADING

From Our Own Correspondent

OTTAWA.—What has Canadian business to expect—"fear" might be a franker word—from the reinforced anti-combines legislation passed at the recent session of the Federal Parliament?

In reply to this all-pertinent enquiry, F. A. McGregor, veteran of a dozen major anti-combine investigations in the past 12 years and newly-cloaked with the authority and powers of a commissioner under the strengthened legislation, has, first, a warning and, secondly, a reassurance to give to the commercial enterpreneurs of the Dominion.

Primarily, Commissioner McGregor tells Canadian business—using The Financial Post correspondent as his medium—that the Federal anti-combines legislation is to be firmly enforced, that the days of comparative inactivity in its administration are at an end, and that business concerns which have regarded non-interference with their price-fixing and other activities as equivalent to Government sanction, had better commence at once to mend their ways.

On the other hand Commissioner McGregor tells Canadian business that it is not the intention of the anti-combines branch of the Federal Government to "harry" it, that he has no intention of brandishing the legislation at all times as a club over the head of legitimate commercial enterprise, that he is particularly anxious to "keep its skirts clean" of any such suspicion or allegation.

Finally—and this is in reassuring vein also—Commissioner McGregor

(Continued on page 2, col. 6)

WILL NOT CRUSADE

F. A. MacGregor, Anti-Combines Act commissioner, promises that there will be no crusading against industry in enforcing the law.

Abitibi Plans Make Progress

It is anticipated that preliminary legal steps toward bringing in a plan of reorganization of Abitibi Power & Paper Co. will be taken in the near future.

Considerable progress has been made in recent lengthy negotiations between members of the bondholders committee and the liquidator of the Abitibi receivership.

It is understood that the preferred shareholders' committee has been making strong claims for value on the basis that the real value of the company's assets has risen much nearer book value in the past two years. Since bondholders and preferred shareholders are well organized, the claims of common shares appear weak, and the preferred shareholders will seek retention of most of the equity after bondholders obtain the lion's share.

Canadian Hydro Plans Revision of its Set-Up

Gatineau 6% Debentures May Be Refunded By Plan

COMING SOON

G. Gordon Gale, president of Canadian Hydro-Electric Corp., informed the recent annual meeting at Ottawa that a plan is being prepared for submission to shareholders at an early date for simplification of the combined corporate structure of the company and its subsidiaries. The plan, he said, is designed to facilitate the refunding of the 6% debentures of Gatineau Power Co., which is the major subsidiary of Canadian Hydro.

After June 15, 1937, all 6% debentures of Gatineau Power Co. become callable at 101½. At the close of 1936, the total outstanding was $14.8 millions, made up of $8.4 millions maturing June 15, 1941, and $6.4 millions maturing April 1, 1941.

Modification of the capital structure of the combined companies would affect the $12.5 millions of outstanding 6% preferred stock of Canadian Hydro-Electric Corp. Dividends on the shares are in arrears from Dec. 2, 1935, a total of $7½ a share. No payments have been made since cancellation and revision of the Gatineau Power Co. contract with the Hydro-Electric Power Commission of Ontario.

At present, Gatineau Power Co. has a share capital of $25 millions of 6% preferred stock and $2.5 millions of common stock all held by the parent firm, Canadian Hydro-Electric Corp. Gatineau Power has $68¾ millions of 5% first mortgage bonds outstanding, as well as the $14.8 millions of 6% debentures.

Canadian Hydro-Electric Corp., which depends upon Gatineau Power Co. for most of its income, has no bonds outstanding. The share capital consists of $12.5 millions of 6% preferred stock in the hands of the investing public; $25 millions of 6% second preferred stock and one million common shares.

Canadian Hydro is controlled by International Hydro-Electric System which own all $25 millions of the "Checo" second preferred and the one million common shares.

Canadian Hydro is therefore a holding company standing between the operating firm, Gatineau Power Co., and the major holding organization, International Hydro-Electric System.

Rail Line Approved

Railway committee of the Quebec legislative council has accepted the principle of the bill of the Quebec Northwestern Railway Co. to be permitted to build a line from Mont Laurier to Senneterre, with one branch running in from Maniwaki.

Suggest London Helping U. S. Gold Purchase Plans

From Our Own Correspondent

WASHINGTON. — This week's crop of gold rumors included one that was given considerable credence in United States financial circles. It was to the effect that the Treasury would not change its buying price for gold or impose any arbitrary import tax or increased handling charge, but that the Government would seek its ends "some other way." The ends, of course, are to prevent the steady accumulation of gold in the treasury vaults, where it must be sterilized to prevent it increasing the monetary base of the country and laying a foundation for uncontrolled inflation.

A clue as to what the "some other way" might be was probably given when London became a heavy buyer of gold this week. The administration has made it clear to the British that it feels the countries which have been the chief beneficiaries of its gold buying policy ought to share the burden of carrying it on, especially since they too must be interested in controlling inflation and not permitting excessive gold supplies from wrecking the stability of the price structure. It looks to some observers here as though London has taken the hint and will help to control the gold flow to the United States.

What turned the gold flow from something that Washington was willing to handle, into an excessive inpcuring of unwanted metal, was the tremendous increase in production in Soviet Russia. Well informed interpreters in Washington believe that behind the scenes the United States is conducting negotiations with the Soviet to prevent extravagant shipments in the future.

Can. Canners Profits Jump In Past Year

Net Earnings More Than Doubled After All Charges

SALES UP 20%

Canadian Canners Ltd. reports an increase of approximately $559,000 in operating earnings for the year ended Feb. 28, 1937, compared with the preceding year. After allowing for higher taxes, $50,000 more for depreciation, and including in expenses the costs of refinancing and of contributions to employee stock subscriptions, net profit was more than double that for the year ended Feb. 29, 1936.

Because of the participation features of both first and second preferred shares, there are several methods of calculating net earnings per share. On the present first preference issue of 194,242½ shares of $20 each, profit was equivalent to $3.42½ a share compared with $1.56 a share in the preceding year.

Earnings after the present dividend rate of $1 a share on the first preferred were over $1 a share on the second preferred, compared with 30 cents a share in the year ended Feb. 29, 1936. After allowing for the participation feature of the first preferred and of the common shares, profits exceeded 90 cents a share on the second preferred in the 1936-37 year.

After allowing for all possible preferred participations, earnings were approximately 75 cents a share on the common stock.

After payment of preferred dividends for last year at the old fixed rate of 6%, the company appropriated $500,000 from surplus to reestablish the former investment and contingent reserve. This reserve which reached $2.2 millions in 1931 disappeared in the depression, when, according to president W. R. Drynan, it was very valuable.

Largely reflecting the surplus of earnings over dividends paid for the year, the company increased its net working capital by $437,157.

Comments on Operations

W. R. Drynan, president, makes extensive comments in the report on the operations for the year. Sales, he says, increased about 20%. This and the company's inventories, carried over into a season of strong demand, accounted largely for the increased earnings. The net profit he describes as about 5% on the capital investment.

Refinancing of the former $3.1 millions of 6% bonds with $3.5 millions of 3% and 4% bonds, says Mr. Drynan, will make a saving of

(Continued on page 2, col. 1)

Ontario Surplus Is $9.3 Millions

The Ontario Government surplus for the year ended March 31, 1937, is about $2 millions higher than was estimated by Premier Mitchell Hepburn in his budget speech in March.

In an address before the Ontario Women's Liberal Association, Premier Hepburn stated that final returns showed that the surplus for the year would be $9,313,000 instead of the $7,343,000 forecast in his budget speech.

The jump in the surplus is attributed to increased revenues from succession duties and the lands and forests department. Collections of the succession duties branch were $15,991,000, as against $15,500,000 estimated by the budget.

Study C.I.O. Effect On Branch Plants

Ottawa Concerned Over Result of Organizing Campaign

From Our Own Correspondent

OTTAWA. — Although its policy on the C.I.O. remains definitely one of inaction, the Federal Government is pondering on warnings that there is one important field of Canadian economic life which C.I.O. activity (plus one other factor) threatens to affect adversely. That is the branch plant industry, consisting of literally hundreds of branch factories of United States concerns.

These plants are located in Canada for two reasons: Because of more stable and somewhat cheaper labor, and in order to manufacture here for export and secure the British preference in British markets. Both these inducements for parent United States concerns to operate plants in Canada are now seen as jeopardized.

C.I.O. organization of Canadian labor may remove the advantage of lower labor costs, and the Great Britain-United States trade treaty which will likely make it unnecessary for United States firms to manufacture in Canada in order to secure the British preference.

As fully 25% of the 500,000 factory workers of the Dominion are estimated to be employed in United States branch plants, the outlook is causing some concern in Canadian trade circles.

Pulp-Paper Wage Boosts Slice Profits

Higher Costs Will Absorb Large Portion of Price Advances

EFFECT ANALYZED

Costs of pulp and paper companies operating in Ontario are believed likely to rise more sharply than was first indicated, as a result of the new union wage agreement completed a few days ago.

In addition to increased wages for mill workers, costs of labor for wood cutting operations are expected to rise. In Quebec mills, the agreement does not apply, as unionization is not complete. But there is some expectation that efforts toward unionizing Quebec workers may become more aggressive from now on.

It is estimated by one well-informed man in the industry that by Jan. 1, 1938, costs of producing newsprint in Ontario mills will be up $2 a ton on account of wages alone, as compared with costs at the opening of 1937. Another newsprint man predicts that efficient mills will do well to retain as earnings one-half of the increase of $7.50 a ton for newsprint in prospect for the first half of 1938.

As stated last week in The Financial Post, the benefit of the rise from $41 to $42.50 in the price per ton of newsprint for 1937 is practically eliminated by the rise of costs, particularly wage rates.

Companies affected directly by the union wage agreement are Great Lakes Paper Co., Abitibi Power & Paper Co., Provincial Paper, Ltd., Ontario Paper Co. and Spruce Falls Power & Paper Co It is expected that Minnesota & Ontario Paper Co. will come under a similar wage arrangement.

Runs Two Years

The new union wage agreement runs from May 1, 1937, to May 1, 1939. It was negotiated with the companies by John P. Burke on behalf of the International Brotherhood of Pulp, Sulphide and Paper Mill Workers, and M. J. Burns acting for the International Brotherhood of Paper Makers.

Wage increases are effective from May 1, 1937, with a further general increase Jan. 1, 1938. The advances in force from May 1, 1937, range from 8 to 14 cents an hour. On Jan. 1, 1938, there is to be a further increase of two cents an hour applicable to all classes of workers and an additional one cent an hour for ordinary mill labor.

The effect is illustrated by the increase paid to ordinary mill labor, which receives the minimum wage scale under the agreement. On May 1, 1937, the rate was raised from 43 to 51 cents an hour. On Jan. 1, 1938, it rises to 54 cents an hour, which puts the rate back to the war-time peak. In this class of labor, the full increase exceeds 25%.

Operators' Viewpoint

Opinion among newsprint men appears to be that higher wages will also develop for wood cutters, adding to the rise of costs this year. As the more efficient mills have been operating at capacity, there is little further advantage to be obtained in reduction of overhead from increased volume.

Wage rates for Ontario paper mill workers will be approximately the same as those established for Great Northern Paper Co., major U.S. newsprint producer, through the international unions. Some Ontario mill operators suggest that complete similarity in labor rates with U.S. mills is discriminatory because Canadian mills have to pay higher prices for such supplies as coal and machinery.

The increases in mill wages in Ontario are not duplicated in Quebec paper mills, which are not as highly unionized. There is some expectation, however, that a drive for unionization in Quebec mills may develop with the effect of raising labor costs in that province.

Production Increases At Falconbridge Mines

Falconbridge Nickel Mines, in the first quarter of the current fiscal year, treated 111,118 tons, compared with 81,193 tons in the first quarter of 1936. Net profit for the first quarter of 1937 was $334,248, compared with $345,345 in the corresponding period of 1936. Gross operating profit was $648,448, compared with $579,119 in the same period last year.

Shareholders May Have Suit In Red L. Gold Shore Case

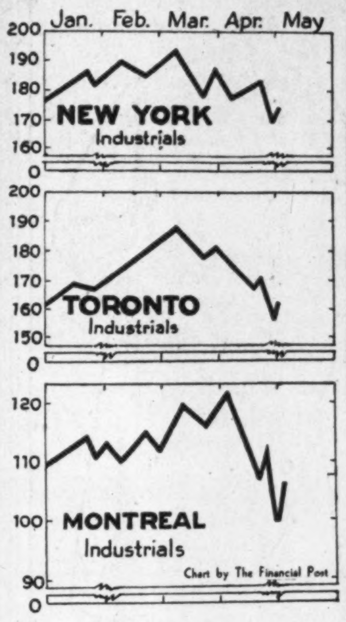
John M. Godfrey, K.C., Ontario Securities Commissioner, informs investors that they "may possibly have a civil action" in connection with purchase of shares of Red Lake Gold Shore Mines, made on the basis of a statement regarding ore reserves attributed by the Securities Commission to Dr. Robert W. Breuls, president of the company.

The Securities Commission reported recently that a misstatement as to ore reserves by Dr. Bruels was the primary cause of violent fluctuations in the price of Red Lake Gold Shore stock during the fall and early winter of 1936.

Mr. Godfrey now states that the Crown attorney for York County does not think the evidence justifies a prosecution under section 414 of the Criminal Code. The Securities Commissioner advises shareholders, however, in a statement reading, in part, as follows:

"Upon the completion of the investigation of this company by J. J. Robinette, a copy of his report was sent to J. W. McFadden, K.C., crown attorney for the County of York, with a request that he take appropriate proceedings in consideration of the statement made by Dr. Breuls . . .

"While . . . Mr. McFadden does not think Dr. Breuls should be prosecuted, any shareholder who was induced to purchase shares by reason of the alleged statement attributed to Dr. Bruels may possibly have a civil action. This is a matter in connection with which shareholders should consult their solicitors."



Stock Markets May Be Dull

Secondary Slump May Be Avoided By Quiet Trading

Most commentators expect dullness in stock markets over the months immediately ahead, following the recent decline of share prices.

The question under widest discussion is whether there will be a secondary selling movement following the recent slump, and if so, whether the low points established at the close of April can be defended successfully.

Stock market analysts would regard continued dullness as a favorable indication, perhaps signifying that a severe secondary slump may be avoided.

The irregular downward trend of prices since early in March is shown in the above chart of movements of averages for New York, Montreal and Toronto industrial stock averages.

The severity of the recent decline of prices is even more apparent when compared with the low points recorded in 1936 by stock market averages and the highest points established early this year. The figures show that at the lowest recent closing levels, market averages recorded a decline of nearly half the rise from March, 1936, as follows:

Extreme Range in Stock Markets
Averages for Industrial Shares

	N.Y.	Mtl.	Toronto
Low, 1936	143.1	69.5	125.7
High, 1937	194.4	122.2	187.7
Max. rise, 1936-37:			
Points	51.3	52.7	62.0
%	35.8	75.8	49.2
Low, 1937	170.1	100.1	157.7
Max. decline, 1937:			
Points	24.3	22.1	30.0
%	12.4	18.1	15.9

An important contribution to the recent weakness in Canadian and American markets was made in London where stocks fell sharply following the announcement of heavy taxes on the rate of increase of company earnings. The eventual influence of such taxation, however, may be to divert investment funds to this continent, tending to strengthen North American share prices at the expense of London.

Majority opinion on the long-term trend of stock prices seems to incline to the view that they will eventually go higher, on the basis of further improvement in business.

Highlights

"Quebec for Quebeckers"

Premier Duplessis has a programme of planned development for the province. Page 13

Cadillac Area in 1937

Spectacular finds of last year in this Quebec mining district promise further development in 1937. Page 19

A Gold Miner's Day

Study of an ordinary day in the life of a Timmins mine worker shows he already has most of the C.I.O. objectives. Page 11

Sask. Wheat Pool

A new president is to be elected and will find many problems affecting the Pool's future. Page 12

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Hepburn Goal Complete Rout C. I. O. Agents

Long-term Policy Aimed at Total Exclusion

FUTURE PLANS

Complete repulsion of the C. I. O. invasion of Canada's major industries is the goal set by Premier Mitchell F. Hepburn of Ontario, for his long-term policy to combat the C. I. O.

The General Motors strike at Oshawa was but a preliminary though important skirmish in what he realizes may be a protracted struggle to block the Lewis organization. And the settlement of that outbreak by no means completely satisfied him. It went only part way toward fulfilling his basic determination—to deny the C. I. O. and its affiliates any foothold whatever in Canadian industry.

The Oshawa pact definitely excluded as parties to the deal the C. I. O., its international auto workers union, and functioning agents of either body. But it did recognize the existence of a local branch of that union, and accepted employee-representatives selected by that local as agents for unionized workers of the company.

The Financial Post sought to learn whether the General Motors agreement was to be taken as a model for a compromise basis on which C. I. O. unions, and such Canadian adherents as they may enroll, might be dealt with in future. Was this the bulwark evolved out of the Oshawa strike, to hold off the C. I. O. and render it as impotent as possible under existing circumstances? The Premier made it evident that his answer is: No.

To Mr. Hepburn, the General Motors settlement represents concrete success in fending off the C. I. O. and holding it at arm's length. But he and his Government will continue aggressively to pursue a policy aimed at a clear cut and thorough defeat, of what he regards as an attempt by C. I. O. to bring Canada under the domination of an international labor dictatorship. Through every means at its command, and by methods developed out of intensive study of potential legislative powers, Mr. Hepburn hopes to spike the C. I. O. campaign completely.

Hepburn Programme

The broad general plan Mr. Hepburn is now following may be summarized as follows:

1. Working through the Industrial Standards Act and the new Minimum Wage Act to improve the lot of the workers generally and eliminate sources of grievance as far as possible. Thus, it is hoped, the C. I. O. agents will find no fertile fields for sowing their seeds of discontent, hostility and disruption.
2. Using the whole weight of the Government's authority, influence and operative resources to block the C. I. O. bid for power, particularly in crises such as arose at Oshawa. The Government will exert itself not only to preserve law and order, but to shake the C. I. O. loose from any potential foothold it may gain. He recognizes, however, the right of workers to bargain collectively through their own representatives or through unions operating in an orderly way.
3. Adhering to a policy of withholding unemployment relief from strikers.
4. Employing existing powers, and evolving others through a close study of legislation in force elsewhere, to ensure that a proper degree of responsibility, and operation within the bounds of legal and orderly procedure, shall be required of labor organizations in Ontario.

When approached by The Financial Post, Mr. Hepburn and his advisers had not yet completed their survey of present authority, legislative and other powers in force elsewhere, and possible new means of meeting the situation in Ontario. Additional legislation will likely be drafted and passed, he hinted. But at present it appears unlikely that a special Legislature session will be

(Continued on page 2, col. 2)

Money For Sale

In the old days it was the three-ball sign of the pawnbroker that held the spotlight in the money-lending business. Today it is the automobile finance company, the personal loan division of the chartered bank—or else—the loan shark, that gets the publicity.

At any rate this business of personal loans is one of the most important in the field of consumer finance and shortly a special federal enquiry will be held to delve into its many ramifications.

Next week, The Post will do a little delving on its own, and will tell its readers some of the ins and outs of this important modern phenomena.

For investors there will be the first of several special articles on real estate securities. There are millions of dollars worth of this type of security scattered throughout all parts of the Dominion yet very little publicity is given to individual companies or to the problems of the field as a whole. These articles will be of practical dollars and cents value and will shed much light on this interesting phase of security investment.

P.S. The Post has, of course, made special arrangements to provide exclusive, interpretative coverage of the Imperial Conference for its readers. Already special articles have forecast major matters to be discussed and vital, authoritative articles will appear in subsequent issues.

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BAY STREET SECTION

EATON'S-COLLEGE STREET

Canadian Canners Sales and Profits Higher in Past Year

(Continued from page 1)

interest in next year's statement. Re-issue of the first preferred on a 5% basis, he adds, further strengthened the financial position.

The company's inventories, says Mr. Drynan, are in excellent condition and in no way burdensome.

Comparative figures follow:

Income and Surplus Account
Years Ended

	Feb. 28 1937 $	Feb. 29 1936 $
Operating profit	1,584,702	1,015,984
Less: Legal fees & exec. salaries	55,694	51,960
Directors' fees	9,000	10,350
Income taxes	189,419	72,773
Other taxes	91,539	88,836
Net earn. after taxes	1,239,050	792,065
Less: Depreciation ..	350,000	300,000
Bond interest	173,234	189,614
Refinancing exps. .	30,497	......
Employee stock contrib.	20,000	......
Net profit	665,319	302,451
Less: 1st pref. divs...	233,088	233,088
2nd pref. divs, ...	......	72,740
Surplus for year	432,231	*3,377
Add: Prev. surplus ..	496,447	499,824
Less: Tr. to inv't & conting. reserve ...	500,000	......
Earned surplus fwd.	428,678	496,447

*Deficit.

Working Capital Position

	1937 $	1936 $
Current assets:		
Cash	59,078	8,105
Accts. receivable	1,064,957	444,168
Inventories	4,252,045	4,381,918
Total	5,376,080	4,834,191
Current liabilities:		
Bank loan	......	161,238
Accts. payable	480,348	361,200
Accrued bond int. ...	43,067	43,217
Tax reserves	323,880	176,008
Total	847,395	742,663
Net working capital..	4,528,685	4,091,528

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.65	4.90
Can. Invest. Fund	4.50	4.85
All Can. Trustee	14.25	14.75
Trans-Canada	...	14.95
Grouped Income	6.49	7.10
Can. Equity	...	13.50
Can. Int. Tr., modified	6.25	6.75
Do., unmodified	5.75	6.25

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Hepburn Is Aiming At Complete Rout Of C.I.O. in Ontario

(Continued from page 1)

called to deal with the problem prior to the regular assembly scheduled for next winter.

Nova Scotia Act

Among the labor laws under scrutiny for possible adaptation of some of their provisions to Ontario, is the recent Nova Scotia act legalizing unions under a degree of supervision, and requiring employers to deal with them when representing a majority of plant workers. Also being studied are the British statutes imposing definite responsibilities on unions, requiring them to submit regular reports on their finances, and outlawing general strikes and other threats to law and order.

Because of the lengthy interim before the next session of the Legislature, and because of a desire to make the preliminary study as exhaustive as possible, the Premier has settled on no definite method for meeting the problem. The proposal to bring all unions under some form of licensing or other regulation, so as to "outlaw" the C. I. O. or at least hobble its feared potentialities for illegally provoked disorder, is merely one of various plans under consideration.

Employers' Policy

Asked what course he felt employers should follow in meeting the situation, the Premier voiced the belief that no employer would prevent his employees forming a union or dealing with their employer. But he added:

"I feel confident they will refuse to negotiate with their workers through the medium of representatives such as the C. I. O., which has carried on elsewhere as an illegal and irresponsible organization."

Mr. Hepburn feared that if the C. I. O. were allowed to succeed in asserting a domination of industry, Canadian firms might find themselves "traded out of position on the export market." He regards as a definite threat, he said, the possibility that if the Lewis body and its allies gain any power, they may enter into deals with competitive plans in the United States to the detriment of Canadian firms.

"If they gain a foothold in a Canadian plant or industry," he remarked, "what is to prevent them going to an equivalent American industry and agreeing to create disturbances in Canada, or otherwise asserting a dictatorship to put the Canadian industry at a disadvantage with its competitors in export markets?

No Lawlessness

"I am not opposed to collective bargaining as far as the craft unions are concerned, or to international affiliations, so long as the organizations concerned in other countries have conducted themselves in a lawful and orderly manner and are motivated by legitimate aims. But I intend to fight any possible entanglement with the Lewis-C. I. O. organization, whose operations have defied law and order. They even go so far as to say that the President of the United States is powerless to act against them because of campaign contributions from Lewis.

"It is evident that their concern is not so much to assist Canadian workers but to enroll them to build up the strength, economic and political, of the C. I. O., and to levy a perpetual toll on Canadian pay envelopes. If their campaign were to be carried to its ultimate objective, they might enroll 700,000 Canadians. With union dues set at $1 a month, that means $700,000 a month or $8.4 millions a year extracted from Canadian workers, a substantial portion going across the border.

"That is far too big a slush fund for any individual such as Lewis to control, for political or any other purposes. That is but one of many reasons why we want to get the C. I. O. out of the picture altogether in Canada."

Industrial Standards Act

Both the Industrial Standards Act and the Minimum Wage Act (1937) could be "made to serve a useful purpose" in combatting the C. I. O., Mr. Hepburn believed.

"There is no doubt that adjustment of wages is overdue in many industries," the Premier commented. "But I find that while employers are anxious to make such adjustments as far as they are able, they are worried about the effect of this upon their ability to compete with sweat-shop factories.

"The Industrial Standards Act can take care of that, and pave the way for wage adjustments, by stabilizing wage rates on a proper but uniform basis in various industries and zones. Right now, we have more than 100 applications on hand for enforcement of the Act in various industries."

Through this Act and the new Minimum Wage Act, permitting establishment of minimum wages for men as well as women, the Government hopes to offset C. I. O. tactics aimed at trading on adversity.

Established Locals

The Premier was asked what his policy would be in regard to the Canadian branches of C. I. O. unions which have been well established for some time, and are not involved in the current C. I. O. campaign among unorganized mass production workers. Remarking that such aspects made the problem a complicated one, he said he had arrived at no definite conclusions in this regard.

The Nation's Business

(Continued from page 1)

ployer who believes that he can do more for his employees than any union organization can do should also speak with equal frankness. If he takes the stand that he should not be compelled to discuss his employee relations with anyone except selected representatives of his own employees—which is his right—he should not hesitate to give the reasons for his policy. What the Canadian public wants now more than anything is a candid and thorough examination of the whole problem of industrial relations. Generally speaking, Canadians are open-minded on the subject. It would be a mistake to assume that there is a general demand for unionization or a general antagonism to it. It would also be a mistake to assume that unionism versus the open shop is the only major Labor issue.

* * *

ANY discussion of the subject of agreements between industrialists and their workers might well start from the formula devised by Myron Taylor, chairman of the U. S. Steel Corporation, and agreed to by that corporation and John L. Lewis. It reads:

"The Company recognizes the right of its employees to bargain collectively through representatives freely chosen by them without dictation, coercion or intimidation in any form or from any source. It will negotiate and contract with the representatives of any group of its employees so chosen, and with any organization as the representatives of its members, subject to the recognition of the principle that the right to work is not dependent on membership or non-membership in any organization, and subject to the right of every employee freely to bargain in such manner and through such representatives, if any, as he chooses."

It will be noted that the company has recognized collective bargaining that extends beyond shop councils or company unions. But of equal importance is the fact that it falls far short of what the C.I.O. has been demanding everywhere and far short of what the Wagner Act in the United States imposes upon any industry where a vote of the employees is taken.

In the U.S. Steel formula no exclusive recognition is granted to any union or group. A union may speak for its members only. It must not coerce or intimidate other employers who desire not to pay toll to the union. The closed shop is barred entirely. On the other hand, it incorporates the principle that is the basis of the Nova Scotia Trades Union Act, that employees have the right to join a union if they wish to.

* * *

THE fight against the C.I.O. must go on so long as it presents the dangers set forth at the head of this article. But while this fight goes on, there must be some earnest analysis of the broader phrases of industrial relations. Industrialists must not suppose that a defeat for Communism or the triumph of law observance will dispose of all the issues involved in present labor discussions. Canadian industry has today a challenging opportunity to reveal the breadth of its thinking and the enlightenment of its labor policies. As it meets the challenge it will gain the respect of Labor and win workers' support in the common effort against disruptive forces.

It is desirable to avoid hasty, arbitrary legislation. Canada wants no Wagner Act which provides a system whereby 49% of the workers in a plant may be forced to accept the representation of outside bodies in whom they have no confidence. The Nova Scotia Act, which recognizes the right of a worker to join a union, is unproved legislation and may not represent a formula of permanent value.

* * *

THE common end of all employer-employee relationships should be the uninterrupted production of wealth available to be shared equitably among all those who contribute to the effort. Unions are not essential to this process and in many industries would be undesirable. Even the best union cannot gain for workers the advantages that a great many employers are anxious to grant voluntarily and without struggle. On the other hand, the principle of collective bargaining by workers is not in itself necessarily a barrier to the increase of wealth and the maintenance of happy industrial relationships. In some industries it may be necessary. The trouble arises not over principles but over their application. The C.I.O. way of applying collective bargaining principles is a disrupting way today but may not always be so.

* * *

Larger View Needed of Wheat Marketing

THE Turgeon Grain Commission is doing a most useful, independent job of surveying Canada's grain trade. Such a survey, shorn of controversial propaganda, is generally needed. The Commission should not conclude its hearings without broadening its investigations to include the international grain trade. Few other Canadian industries are as dependent upon world conditions as the production and sale of wheat. Considerably more than half the crop is absorbed eventually by markets outside the Dominion.

Justice Turgeon is to be congratulated on the thorough manner in which he has delved into this industry in so far as Canadian marketing and growing machinery are concerned. All interests, including the established trade and the pools, are being given an ample opportunity to present their views. Progress may not have been as rapid as was anticipated but this was partly due to the absence of the chairman for several weeks while he concluded the textile enquiry, and also because of the wide range of territory and testimony to be covered in Canada.

* * *

THE industry is a major one and affects directly several million Canadians. Since 1929 it has not been in satisfactory shape. Droughts, low prices and sharply divergent selling policies have beset it. There has been conflict instead of co-operation between Canadian producers and foreign buyers. A consistent national policy in regard to wheat would be unable to avoid droughts but it should eliminate sources of friction and minimize losses during those periods when prices are depressed.

From the Canadian trade and Canadian growers alone, however, cannot be secured as broad a picture of the present situation as is necessary in formulating any such policy. The Financial Post understands that representatives of the three biggest international grain companies, Dreyfus, Bunge and Continental, are prepared to give evidence before the Turgeon Commission. These companies would bring testimony based on world-wide connections and experience. It would make a worthwhile contribution to the present investigation and it should be heard.

* * *

Party Lines In the Provinces

IN EVERY part of Canada considerable interest will be evoked by the suggestion, apparently made by the Liberal premier of Ontario to the Conservative leader of the Opposition, that the two parties should join to form a union government. It has been denied that any such proposal was made or considered but the denials are rather less convincing than the original story.

The reason for the national interest is the fact that throughout most of Canada the feeling is growing that provincial politics might well get away from the traditional lines drawn for purposes of Federal politics. The issues in provincial politics are seldom the issues in Dominion politics and will be much less so when our constitution is modernized so that fewer problems fall into the competitive arena where two different types of government attempt to deal with them.

* * *

THE absurdity of adhering to party lines is seen in several provinces.

In Alberta the fight is not between Liberals and Conservatives but between the apostles of the money messiah and those who want Alberta to get out of the psychiatric ward.

In Quebec, a "Liberal" government, that was Tory in the extreme, was displaced to make way for a largely Conservative government that is attempting "New Deal" measures.

In Saskatchewan, the last election threw out a Convervative government and left not a single member of the party in the House.

What is the use of talking in terms of Liberals and Conservatives in any of these three provinces?

* * *

TOO often fusion governments are organized to put over some big spending scheme. One prime accomplishment of the union government at Ottawa was to saddle Canada with a huge system of national railways when the bankruptcy courts could have brought a simpler solution of the problem.

The reputed reason for union government in Ontario is to form a united front against the C.I.O. and Communism. But if union government consolidated all the forces of discontent and disruption into a single opposition party it might accomplish more to strengthen and organize the subversive group than could normally be accomplished in a decade.

If union government were organized in Ontario to promote broader efforts in economy, the elimination of waste and the cutting down of taxation, it would have a useful job to do and the idea would gain considerable support.

The important thing is to know what the programme of the union party would be. A fusion government is of no consequence except as a means to achieve certain ends. What are the ends that union government in Ontario would hope to attain? If they are desirable objectives that cannot be attained without the collective force of the support of all good citizens then a union government would be useful.

Western Grocers Sales Advance

W. P. Riley, president of Western Grocers Ltd., Winnipeg, wholesale firm, informed shareholders at the recent annual meeting that sales and earnings for the first quarter of 1937 were better than for the corresponding 1936 quarter. In 1936, the company's earnings amounted to $6.66 a share on the common stock compared with $4.97 a share in 1935.

Mr. Riley explained the increase in inventory to $1,236,039 in 1936 compared with $1,044,163 in 1935. It was occasioned largely by the fact, he said, that on certain staples markets appeared due for an advance.

"It was considered desirable," he explained, "to increase our investment in merchandise. For many years," he added, "we have operated on the principle of low stocks and quick turnover. We still believe in that principle, but on occasion it pays to go into the market and buy heavier than usual. The year-end venture has already, in 1937, proved to be a good move."

Commenting on the outlook for 1937, Mr. Riley stated there appears to be a quiet confidence in the grocery trade as a whole. While suggesting it would take time for western Canada as a whole to recover there was every indication that better days were on the way, he stated.

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Northern Canada Dividend

Northern Canada Mining Corp. has declared an interim dividend of two cents per share on the outstanding capital stock of the corporation, payable June 1, 1937, to shareholders of record May 8, 1937.

Ottawa Sure Hepburn Made Offer of Union

Sought Alliance With Tories Against the C.I.O.

From Our Own Correspondent

OTTAWA.—Despite official denials which have never been categoric—particularly in the case of Hon. Earl Rowe—The Financial Post learns authoritatively that Premier Mitchell F. Hepburn tendered to the Ontario Conservative leader a definite offer to form a union administration, and to go to the electors immediately upon an anti-C. I. O. platform.

The motive of the offer was the Premier's desire to back up his Oshawa strike settlement with a mandate from the Ontario people, for labor legislation which would effectively prevent operations by the C. I. O. in the province.

The offer was refused—without any qualification—by Mr. Rowe. Before it was rejected, however, it was communicated to Rt. Hon. R. B. Bennett as Federal Conservative Leader, not for his advice or instructions, but merely for his information. At the same time, word of it was received in Liberal circles. Thus the fact that it was made has become known to an intimate circle on Parliament Hill, in the face of whose knowledge current attempts to deny it by Queen's Park cannot succeed.

Basis of Proposal

The story, as Parliament Hill knows it for a fact, can be told in three statements:

(1) No approach was made by Mr. Hepburn to Mr. Rowe until after the Oshawa strike had been settled and the agreement ratifying it signed.

(2) Mr. Hepburn then held two interviews with Mr. Rowe on the subject of a union government, with the object of an election in which the two old-line parties would present a united front against the C. I. O.

(3) Mr. Rowe refused definitely to entertain the proposal.

Mr. Hepburn is said to have offered Mr. Rowe one-half of the portfolios in the Cabinet—with the Premier's portfolio for himself if he chose to occupy it — and half the seats in the Legislature won by the proposed coalition.

Mr. Rowe did not choose. One explanation of his rejection which is heard on Parliament Hill is his dislike of the newspaper associations under which he believed the union government would be expected to operate.

The Federal suspicion is that if the offer was even approximately as outlined by reports reaching here, Mr. Rowe's refusal of it was dictated by political pressure from his own party. The belief is that in provincial Conservative circles the Premier's offer did not receive credit for the patriotism involved in it, but was interpreted as a confession of weakness. Consequently the Tory party strategists, preferring to control the whole Government and not just half of it, prevailed upon Mr. Rowe to reject the overtures.

Early Election Predicted

It is now foreseen here that a general election in Ontario may be called before the end of June. This belief is based on the feeling that Mr. Hepburn will be forced to seek a new mandate from the voters, not so much to retain the Premiership and keep the Government in power, but to maintain his leadership of his party followers.

Revelation of the Hepburn coalition proposals, it is anticipated, will create a split within Ontario Liberal ranks, with at least some of the Premier's supporters in the Legislature alienated by the making of the union offer without consulting them. There is a move on foot, it is reported, to ensure that Mr. Hepburn will not be in a position in future to make another such offer and jeopardize the Legislature seats of his followers.

Commissioner Plans Vigorous Enforcement Of Combines Law

(Continued from page 1)

declares that it is not the intention of his branch to launch out straightway upon a public crusade against combines.

In other words, the spirit of the celebrated Price Spreads Commission of two years ago, the mission of which was to blacken business in as speedy and wholesale a manner as possible in order to glorify politics and politicians, is not the spirit of the Federal Anti-Combines branch today under Commissioner McGregor.

The Administrator

Who is Mr. McGregor?

Few questions can have greater interest for the Canadian business community at large, in view of the extensive powers with which Parliament has cloaked this quietly determined, and essentially congenial individual. For make no mistake about it, Parliament last session did nothing that was liable to be fraught with greater consequences to Canadian consumers generally than was its action in strengthening the Anti-Combines Act. And the added strength which it gave to that legislation consisted largely in the wider powers with which it endowed F. A. McGregor, raising him from the status of registrar to that of full commissioner, with a degree of authority rarely exceeded by anyone with that title.

Commissioner McGregor, for instance, can now investigate suspected combines and turn over any documents which he may uncover in the course of his enquiry to an attorney-general's department for use in criminal prosecution. Formerly, any documents or papers used in the preliminary investigation of a combine, could not be used against it if criminal prosecutions followed.

Commissioner McGregor can now compel the attendance of witnesses, an answer to any relevant questions, and the production of any records or papers that he may wish to examine. It is true that before he can exercise his compulsory powers he must secure a formal order from either the president of the exchequer court or the chairman of the Trade and Industry Commission. The spirit of the legislation clearly requires, however, that such permission shall be forthcoming in all cases in which the procedure is not merely frivolous or vexatious—and Commissioner McGregor is not likely to lend himself to either frivolous or vexatious proceedings.

What then are Mr. McGregor's economic ideas, his philosophy of business?

He is a typical Ontario product and one of the most distinguished graduates of McMaster University. The early training of the little red schoolhouse, liberalized by a subsequent course at a University with a reputation for inculcating a sense of responsibility provides the clue to his present systematic thoroughness, balanced judgment, and clear discernment of the end which he is intended to serve and the limits within which he should circumscribe his actions. He is a firm believer in the ultimately wholesome results of free competition within the limits set by the social conscience of today.

Thus, Commissioner McGregor is devoid of fanaticism or any overpowering sense of an all-important mission to carry out—with the inevitable corollary of a crusade and high-pressure methods generally. He starts from the basic fact that the economic system in Canada today is a competitive one, not a state-planned economy.

Maintain Competition

Thus, when competition is eliminated by a combine or monopoly he contends that the system itself has been changed, that for a competitive system has been substituted a planned economy. Whether the State or a group of monopolistically-inclined business concerns do the planning is to him a matter of thorough indifference. Until Canada decides to adopt a planned economy as he recognizes his function to be the maintenance of the element of competition, which is the ultimate safeguard of the consuming public.

Accordingly, Commissioner McGregor is not concerned with the prices of goods or services as such. Prices, high or low, are not, in themselves, grounds for his intervention. His sole function, as he views it, is to see that the free play of competition operates.

Commissioner McGregor disclaims any intention whatever of launching out on a crusade against Canadian business generally. The experience of the anti-combines branch over the past several years he points out, has been to average one major investigation per year.

Ready to Intervene

From this it is not to be deduced, he warns, that the administration of the law will be in any sense perfunctory. His own idea, however, is that the anti-combines branch should fulfill its function as much by its existence and willingness to intervene whenever the law is broken, as by continuous police activities. He believes that if business knows the law is there and that it is being enforced, it will adopt the rôle of wisdom and avoid infractions. One major investigation a year, accordingly, should be, in Commissioner McGregor's mind, not only a sufficient warning, but also useful in instructing business generally as to what the law really is and the extent to which business practices come within its scope.

Commissioner McGregor told The Financial Post frankly that he would prefer to function by consultation with Canadian business, rather than by prosecution of it. If any business is uncertain about the legality of any of its trading practices, he would be glad to have it consult the department. If they are frowned upon, it can have two choices. It can either abandon or modify them, or it can persist—and be prosecuted. He would rather achieve the Government's end of protecting the consuming public by consultation and conciliation, however, than by prosecution and coercion.

The touchstone of any combine or monopoly by which its legality or otherwise may be determined remains unchanged by this year's amended statute. That is to say, it must be a combine or monopoly against the interests of the public. The machinery of the law is simple. Any six persons may write in to Commissioner McGregor alleging that such a combine or monopoly exists. Automatically Commissioner McGregor must conduct a preliminary investigation into the allegation. If he finds sufficient prima facie evidence of its existence, he may then institute a full enquiry as the basis of a criminal prosecution. In no case do any costs fall upon the complainants. The Government bears the expense at all stages.

In addition to outside complaints, however, the Minister of Labor, where he sees the public interest as sufficiently affected, may instruct the anti-combines commissioner to hold an investigation, without any request from the public.

In any investigation which he does hold, Commissioner McGregor does not propose that there should be any publicity—unless by the complainants, over whom he has no control—until the stage of criminal prosecution is reached. Under his administration business will be presumed innocent until it is proven guilty.

Accordingly, he had nothing to tell The Financial Post about his immediate plans. He did say that already a number of complaints had come from the public. And he revealed also that several business interests had been in to consult the branch on certain activities which they had come to regard as sanctioned by years of non-prosecution, but concerning which their consciences were not easy in the light of any prospect of rigorous enforcement of the law.

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Investment Analysis

Montreal Tramways

Uncertainty Over Contract, Giving Company Fixed Return, Weakens Confidence — Security Situation Reviewed

Agitation for revision of the contract made between the City of Montreal and the Montreal Tramways Co. is coming to a head. Premier Maurice Duplessis has announced his intention to form a three-man commission to investigate the situation and report on the advisability of changing the agreement.

Criticism has been directed at the contract on and off for several years, but since the Tramways Commission failed to pay the annual rental of $500,000 to the city, the criticism has taken on weight. Failure to pay the rental came at a time when the city was hard pressed for revenue and the maintenance of dividends by the company only served to increase the ire of the City Council.

The contract with the city was made in 1918 and was ratified by the provincial legislature in February of the same year. Under the agreement the company is granted the right to conduct its business in Montreal until March 24, 1953. In 1953 the city may purchase the property and assets of the company at a valuation to be fixed by arbitration plus 10%. If no sale is made, the contract is automatically extended for five-year periods.

Contract Requirements

The contract creates a commission of three men, appointed by the Provincial Government for ten-year periods, and called the Montreal Tramways Commission. The duties of the commission are to administer the terms of the contract, which imposes the obligation upon the commission to maintain fares which shall provide revenues sufficient to meet the following requirements:

1. All operating expenses and taxes.
2. Ample funds for maintenance and renewal and the creation of a fund for that purpose of at least $500,000.
3. An annual return to the company of 6% on the capital value as well as 6% on all working capital required for operations; also $181,431 a year during the life of the contract to cover expenses of financing.
4. An annual rental of $500,000 to the City of Montreal.
5. Obligation to create a contingent reserve fund of $500,000.
6. Any surplus after the above charges is to be divided as follows: 20% to the company; 30% to the city; and 50% to be used to create a tolls reduction fund of $2.5 millions to be used by the commission for reduction of fares.
7. If operating expenses and taxes of the company in any year are within the amount allowed by the commission for that year, the company is then entitled to an operating profit of ⅛ of 1% of the average value of the capital during that year.

Company Charges First

As will be seen, the obligations of the commission to the company rank ahead of the obligation to pay an annual rental of $500,000 to the city. In the early days of the contract revenues were not sufficient to pay all charges, and the annual rental was in default, but later on it was brought up to date. However, in 1934 revenues again were insufficient to cover the rental and the amount now owing to the city is in arrears $1.5 million.

The commission has never taken advantage of its power to increase tram fares to bring revenues up to the point where the rental could be covered. On the other hand it has instituted economies and approved the use of one-man street cars—another point of grievance—in order to bolster revenues.

There is a balance of $342,444 due company under contract on account of financing allowance for 1934-1936.

To date, revenues have been $1.8 million short of meeting all charges under the contract, of which $1.5 million is owing to the city and $342,444 to the company.

Paid $18 Millions to City

The revenues received directly and indirectly from tramway operations by the city, however, are considerably greater than is generally known. Since 1918 the company has paid to the city of Montreal $18,379,445, made up as follows:

Annual rental	$7,942,694
Snow removal	3,899,374
Taxes	6,537,376

In addition the company has expended over $3.3 millions for maintenance of street pavement, making a total distribution from 1918 to 1936 of $21.7 millions.

The current Montreal Bill before the Quebec legislature for approval, contained a clause asking that the company provide the cost of snow removal of streets on which the autobuses operate. When this clause came before the committee, the whole tramway question was opened and it was then that Mr. Duplessis told the representative of the company to pay the arrears of annual rental owing to the city and also made his statement of a commission to study the contract between the city and the company.

Investors Are Concerned

Alterations of the contract with a view to limiting the return to the company would affect a large number of investors, not only those holding the securities of Montreal Tramways Co., but also United Securities and to a lesser degree Montreal Light, Heat and Power Consol. and Shawinigan Water and Power Co.

Montreal Tramways now has outstanding over $23.3 millions of 5% first and refunding mortgage bonds, which mature in 1941; $27.1 millions of 4½ and 5% general refunding mortgage bonds maturing in 1955; and $7 millions of common stock.

The first mortgage and general refunding bonds have been sold in Canada, the United States and England. All obligations have been met.

A majority of the common stock is held by United Securities Corp., which is jointly controlled by Montreal Power and Shawinigan.

The common stock paid an initial dividend of 5% May 1, 1913, followed by regular quarterly dividends of 2½% from August 1, 1913. This rate was kept in force after the contract was made by the city except for a short interval from August, 1918, to February, 1920, and was paid until Jan. 14, 1933, when the quarterly rate was reduced to 2¼%. The rate was reduced to 2% on July 15, 1933, and increased to 2¼% quarterly with the payment made on Oct. 14, 1933, at which level it has remained.

Dividend Future in Doubt

Since 1929, and even earlier, the company has reported a net profit after interest payments on an average of better than $700,000 a year. This, in effect, is a cushion to protect the payments due on the bonds. But a scaling down of payments under the contract, unless it were particularly severe, would not affect the ability of the company to pay interest charges. But a moderate reduction in payments might seriously affect a maintenance of the present dividend rate, unless revenues pick up sharply.

This uncertainty in respect to the contract finds reflection in many ways. The market for the company's bonds has been "soft" for some time. The common stock is currently bid at 85, which compares with the record low of 70 in 1933 and the record high of 210 in 1928. At the current level the stock returns a yield of 10.6%, which indicates the lack of confidence in the immediate outlook for the company.

As already mentioned United Securities owns a majority of Montreal Tramways common. Against this and other security holdings, United Securities has issued over $4.5 millions of 5½% collateral trust bonds. Tramways is the company's most important source of revenue, and any downward revision of the former's dividend rate is of considerable importance to United Securities. Accordingly the uncertainty in respect to Montreal Tramways stock is reflected in the market value of United Securities bonds, which have a market currently of between 70 and 73. The yield on the higher price to maturity works out at 8¾% reflecting the uncertainties in the investment situation of Montreal Tramways shares.

McColl-Frontenac Oil Cuts Dividend Rate

From Our Own Correspondent

MONTREAL. — McColl-Frontenac Oil Co. has declared a dividend of 10 cents a share on the common stock for the quarter ending May 31, payable June 15 to shareholders of record May 15. Hitherto the stock has been on a basis of 20 cents quarterly, or 80 cents per annum.

The action of the board was not unexpected, in view of the disappointing financial statement which was brought out by the company for the year ended Feb. 28, 1937. In that period the company reported a net income available on the common stock of $298,621, or 45 cents a share. For the year previous, the company reported earnings on the common of $767,652, or $1.16 a share.

Western Steel Meeting To Be Held May 31

Bondholders of Western Steel Products Ltd. are to meet in Winnipeg on May 31 next to consider the plan of reorganization which has been proposed for the company.

According to the trust deed the holders of over 50% of the outstanding bonds must be present, either in person or by proxy, and the plan must be passed by at least 75% of those present in order to be effective.

Voting certificates can be secured from the National Trust Co. Winnipeg, Toronto, Hamilton, Saskatoon and Edmonton.

Reopens Amherst Rolling Mill

From Our Own Correspondent

MONTREAL.—Following the receipt of new orders, the nine-inch rolling mill of the Amherst plant of the Canadian Car and Foundry Co. has been reopened. It is understood that sufficient orders have been received to keep the plant in operation for at least a month.

EXCHANGE MEMBER

R. E. Haldenby, Montreal, who has been elected a member of the Montreal Stock Exchange and Montreal Curb Market.

Paramount Profit Up for Quarter

First Quarter Estimate 72 Cents a Share For Common

Official estimate places earnings of Paramount Pictures Inc. for the quarter ended April 3, 1937, at $2,011,000 after all charges including taxes, interest, depreciation and reserves, but excluding tax on undistributed profits. Profits will amount to 72 cents a share on the outstanding common stock.

The estimate includes $391,000 of dividends from non-consolidated subsidiaries it excludes $640,000 representing the company's net interest as a shareholder in undistributed earnings of partially owned companies.

For the corresponding period of 1936, earnings were $718,921 after inclusion of $800,000 of inventory reserve set-up in 1935. In the 1936 quarter the company's net interest in undistributed profits of partly owned companies was $480,000.

As at April 3, 1937, there were outstanding 155,890 shares of $100 each of first preferred stock; 597,651 shares of $10 each of second preferred; and 2,330,449 common shares. After deducting $323,482 in accrued dividends for the first quarter on preferred shares, the estimated earnings amounted to 72 cents a share on the common stock outstanding at April 3.

Annual interest charges on the debt outstanding at Jan. 2, 1937, amounted to $1,950,000 compared with $2.8 millions on the debt at Dec. 28, 1935. This calculation is after allowance for interest reductions and savings due to refunding, and is responsible for part of the increase in earnings.

Comparative results for the full years 1935 and 1936 are tabulated on page 8.

Can. Foreign Investment Declares Bonus on Com.

From Our Own Correspondent

MONTREAL.—In addition to regular quarterly dividends on the preference and common shares, directors of Canadian Foreign Investment Corp. have decided to pay, out of accumulated surplus earnings, a bonus of 40 cents a share on the common.

Directors also announce that the company will retire on July 1, 1,000 shares of the outstanding 8% preferred, leaving 10,000 shares still outstanding. The preferred, which will be drawn by lot from the record as of May 15, will be redeemed at 105 and accrued dividends to July 1.

Asbestos Corp. To Call Bonds

New Short Term Bond Issue Is Planned

From Our Own Correspondent

MONTREAL. — Asbestos Corp. Ltd., announces a plan providing for the retirement of the general mortgage bonds, together with a small block of first mortgage bonds which were issued last year. The necessary funds will be raised through offering of a new first mortgage bond issue and a block of common stock to the present shareholders.

The retirement of the general mortgage bonds rids the company of the sinking fund obligation and paves the way for an early payment of dividends.

At present Asbestos Corp. has $330,000 of first mortgage bonds, paying from 3% to 3½% and maturing by Sept. 1, 1939, together with $2.3 millions of 6% general mortgage income bonds. These bonds will be called for redemption on July 1 and the new first mortgage bonds will be issued not exceeding $1 million, on a serial basis at a rate not in excess of 4%, with a maximum maturity of five years from July 1, 1937.

Common Stock Rights

Additional funds will be needed for the transaction and to that end the company would increase the outstanding share capital from 132,712 shares to 150,000 shares by the allotment and issue of 17,288 additional shares. Of these 16,588 shares will be offered to shareholders for a subscription of $75 a share, on the basis of one additional share for each eight shares held. The rights will be offered to shareholders of record May 15 and will expire on June 15. The small balance of 700 shares will be sold on the market.

The company will realize through the sale of the first mortgage bonds and common stock approximately $2.3 millions. Over $2.7 millions will be needed to retire existing bonds so that it will be necessary for the company to draw upon reserves to the extent of about $400,000.

Toronto Elevators Declares Dividend

Toronto Elevators Ltd. has declared a dividend of $1 a share on the 52,318 outstanding common shares, payable May 15 to shareholders of record May 5. The initial dividend of 66 cents a share has also been declared on the 30,000 new 5¼% preferred shares, payable June 7, to shareholders of record May 22.

The last previous payment on the common was $1 a share on Nov. 25, 1936. The company's year runs from Aug. 1, 1936, to July 31, 1937, so the latest common dividend raises payments for the current year to $2 a share. The stock has not been on a regular dividend basis, but payments of $1 a share each have been made on Jan. 5 and Dec. 1 in 1933, Sept. 1, 1934, Nov. 15, 1935 and Nov. 25, 1936.

The new preferred shares of $50 each call for dividends of $2.62½ a share annually. Quarterly payments would therefore be 65⅝ cents a share, but fractions may be avoided by payment of 66 cents a share for three quarters and 64½ cents a share for one quarter.

Earnings Increase

It is understood that earnings have been running ahead in the current year. In the last full fiscal year, the company reported net profits of $185,288.

In the recent refinancing, the company obtained a net amount of approximately $775,000 additional capital on which it is estimated that annual earnings should exceed $35,000. The company is expected to save interest charges at a rate of at least 5% on the additional capital. For comparative purposes, this would raise last year's earnings above $220,000, equivalent on the present capital to over $7.33 a share for the preferred stock and over $2.50 a share for the common.

NEW TREASURER

John Godwin, formerly head office accountant for the London & Western Trusts Co., who has been appointed to the newly created office of treasurer.

Rail Earnings Show Advance

Net Operating Income Is Increased by 105%

From Our Own Correspondent

MONTREAL.—Combined earnings of the Canadian Pacific and Canadian National Railways for the first quarter of 1937 show an increase of 10.1% over the same quarter last year. The greatest improvement was shown in net operating income, which advanced 105% over the 1936 returns.

For the first three months this year the two railways reported gross operating revenue of $76.6 millions, as against $69.5 millions last year. Of the increase of roughly $7.1 millions, the Canadian National contributed around $4.7 millions and the Canadian Pacific the balance.

Operating expenses increased, but not to the same degree as income. Expenses of the two railways for the quarter amounted to $70.7 millions, an increase of about 6% over the $66.6 millions reported in 1936. Expenses on the Government-owned system advanced over $2.4 millions and on the Canadian Pacific by less than $1.6 million.

The relatively marked improvement in the earning power of the two railways is shown in the net operating figures. During the first quarter of this year the two railways had a net income of over $5.9 millions, compared with $2.9 millions for the same period in 1936. While the Canadian Pacific was able to record a betterment of more than $800,000, the improvement in the Canadian National position was noteworthy, that system having recorded an advance from $76,741 last year to over $2.3 millions this year.

Aluminium Co. Cuts Arrears

Holders of Preferred Get $3.75 a Share Back Dividend

From Our Own Correspondent

MONTREAL.—Directors of Aluminium Ltd. have declared a regular quarterly dividend of $1.50 on the preferred shares and in addition, a dividend of $3.75 a share on the preferred in respect to arrears, reducing the latter to $24 a share. Both the regular dividend and the special dividend on account of arrears will be paid on June 1

Aluminium Ltd. has called for redemption on July 1 next, $8 millions of its 5% sinking fund debenture gold bonds at 105 and accrued interest. There were originally issued $20 millions of these bonds in 1928 and at the end of last year the amount outstanding totalled $16.9 millions.

It is anticipated that the company will retire the preferred stock, a step which has been forecast for some time. A few weeks ago Aluminium Ltd. sold 50,000 common shares at a price which is unofficially reported to have netted the company over $5 millions. This will be applied toward the redemption of the preferred of which $12.5 millions is outstanding.

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M-19

Investment Trends

Decline of Stocks Believed Temporary

Possibility of Further Decline Still Remains, But Normal Recovery Forces and Inflationary Influences Hold Long-range Promise

Despite the strength of share prices that developed following the recent slump of industrial stocks, the current trend still appears to be a downward zig-zag. The important question is whether the levels reached on April 28 and 29 marked the bottom of the slump or whether prices will be carried down farther. Until evidence to the contrary is given by the market itself, there remains the possibility of further decline. The probability is, however, that the downtrend is temporary and that eventually prices will resume a rising trend.

For the long-range investor, the important considerations appear to be that normal economic forces, coupled with unusual inflationary influences, are likely to continue to stimulate business recovery. Because of the basic dominance of recovery forces, analysts of stock market movements conclude that the course of business recovery is still upward. For this reason they advise investors to guard against distortion of the main perspective by temporary unsettlements.

Recent weakness of stocks in London is attributed largely to the British budget taxation to pay for rearmament. By imposing high taxation on capital assets or on the rate of increase of company earnings above the average of 1933-34-35, the Government's plan places a heavy burden on firms whose earnings have fluctuated widely and on shares where there is a large volume of senior securities. The general effect seems to be to burden the companies that might benefit most from munitions expenditures and also to put a crimp in the stock market. The British defense borrowings, however, are inflationary like the United States deficits.

A Canadian business and financial leader suggests there may be another great crash followed by depression in about two or three years. Other observers feel that such a prospect can easily be nullified by success of the Hull programme to break down world tariff barriers.

Where Is Bottom?

Substantial buying orders furnished support for stocks in the recent decline at points approximately as follows: 100 for the Montreal Stock Exchange official index for industrial shares; 158 for Toronto Stock Exchange industrials; 170 for New York industrials as measured by the Dow-Jones average.

The high volume of trading at the time the decline was arrested is indicative of substantial support. The trend of prices in the weeks immediately ahead may be indicated by the ability of stocks to hold the low points established at the close of April. However, students of market movements confess they have no charts to judge the possible extent of the decline. There is an inclination to the belief that the slump that has already taken place is sufficient to put prices on a solid footing, but there is a possibility of lower prices until indications are more definite that bottom has been reached.

The fact that the extent of the current decline is still uncertain indicates that there is still plenty of time for the potential buyer of common shares. While opinion favors the view that the long-term trend is still upward, the investor should be able to buy with greater confidence when the apparently temporary decline has run its full course.

Inflationary Background

In commenting on the long-range outlook for extension of industrial recovery into broader prosperity in this column last week, it was noted:

1. The halt in rising commodity prices reduces the danger of excessive speed in the rise of industrial costs.
2. The net rise of commodities is still sufficient to provide a big increase in incomes of primary producers this year.
3. There remains a large backlog of requirements for new capital equipment, in buildings and machinery.

Those are the basically favorable economic influences which, coupled with rising wage payments, promise to bring greater expansion of the business recovery over the next year or two.

In addition, there is a stimulus from important inflationary elements in the economic situation as it affects share markets. Among the outstanding inflationary influences are these:

1. Unbalanced Government budgets.
2. Undervaluation of the dollar.
3. Expanded bank deposits.

Spending by governments in excess of revenues represents a creation of money income in excess of produced income, thus tending to contribute to rising prices. The undervaluation of the dollar which accounts for much of the flow of gold in the United States is inflationary and may only be corrected by further eventual advances in prices for goods and equity securities in the United States. In both Canada and the United States, bank deposits are about equal to those in 1929. Even with control of the volume of new credit, the present structure appears capable of supporting a substantially increased volume of business activity.

Price Measure

The investment attractions of any stock depend to a large extent upon the price at which it sells. A very good stock may be sold because the price is regarded as too high and other stocks which have no greater investment merit may be bought simply because prices are relatively favorable.

Last week in reporting major purchases and sales of Canadian stocks by British and American investment trusts we omitted the approximate prices at which the transactions were made. Purchases for British account were made in Dominion Stores at $12⅝ a share; Industrial Acceptance at $36; John A. Lang & Sons at $22; International Power preferred at $94.

U. S. investment trusts have been buyers of active market favorites at prices ranging as follows:

Shares bought:	Range
International Nickel	62-73
Ford of Canada, A	22-29
Cons. Mining & Smelting	74-100

It may be noted, incidentally, that International Nickel ranked as second favorite equity purchase of American investment trusts in 1936, being preceded only by General Motors.

As to sales by U. S. investment trusts, they have disposed of well-known Canadian shares at price levels as follows:

Shares sold:	Range
Hudson Bay Mining & Smelting	32-42
Noranda Mines	73-83
Hiram Walker-Gooderham & Worts	45-49

Increasing Exports Stimulate Industry

Value of Canadian exports in the fiscal year ended March 31, 1937, showed a gain of 25 per cent over the previous year and reached the highest figure to be recorded since 1930. Of vital importance, however, is the fact that in the 1936-37 period, exports exceeded imports by $389,322,711—a total which has only been topped twice in the history of the Dominion—in the fiscal years 1918 and 1926.

This substantial favourable trade balance is a very significant factor in reviewing Canadian progress. Foreign trade is essential to a country with the great natural resources which Canada possesses; greater sales of Canadian goods in external markets mean that industry throughout Canada is operating on an increasingly active scale

Investors may share in this industrial expansion by purchasing securities of those companies which are experiencing the full force of business betterment. A list of investment recommendations will be sent on request.

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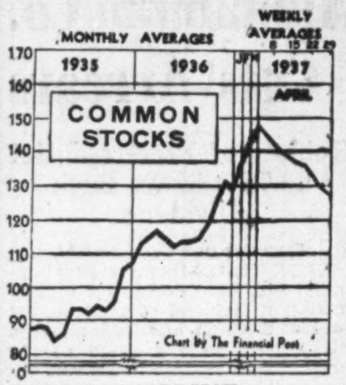

SHARP DECLINE

Marked weakness in industrial stocks in April carried the Dominion Bureau index of share prices below 130 to approximately the levels of last fall. The decline wipes out the advance since last October.

Investment Notes

Winnipeg Electric Co.—Returns for the first quarter in 1937 indicate that the company will have no difficulty in earning interest on the series B bonds. For the three months there was a net income, after senior bond interest and depreciation, of $207,957, an increase of $6,981 over the corresponding period of 1936.

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Borden Co. — The pleasing but somewhat indefinite phrase "gratifying improvement" is used in an official release to describe sales and earnings results for the first quarter of 1937. Arthur W. Milburn, president, informed shareholders at the annual meeting that it is expected the annual dividend of $1.60 will be earned this year. Last year's earnings amounted to $1.80 a share.

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Saguenay Power Co. — Last year Saguenay Power Co. distributed $3 a share on its 210,000 shares of common stock. For the first quarter in 1937, according to an interim report, the company paid dividends of $4 a share on the common stock. This is the largest amount distributed by the company since its incorporation in 1924.

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Canadian Investment Fund—The published portfolio as at April 21, 1937, shows no decreases among the various securities held. Purchases between Dec. 31, 1936, and April 21, 1937, were entirely in common shares, and largely of companies in the fields of building and heavy industry, base metals and petroleum. Changes of particular interest to Canadian investors were as follows:

Stock:	Holding April 21 shares	Increase since Dec. 31 shares
Hudson Bay Mining	8,500	5,000
Int. Petroleum	7,000	2,000
Noranda Mines	4,900	1,600
B. A. Oil	7,000	1,500
Imperial Oil	7,000	1,500
International Nickel	5,000	1,000
Dominion Bridge	3,900	700
C. P. R.	1,000	700
Cons. Mining & Smelt.	3,900	600
Steel of Can., com.	3,500	300
Page-Hersey	1,600	300
Canadian Bronze	1,500	300
Buildng Products	1,300	100
Ogilvie Flour	800	100

• • •

International Nickel — Supervised Shares Inc. reports an increase from 4,500 to 5,500 in its holdings of Nickel in the first quarter of 1937. Another U.S. investing firm, American General Corp., increased its holdings of International Nickel in the first quarter from 20,200 shares to 35,100 shares. Between them, these two firms acquired 15,900 shares.

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Noranda Mines—American investment trusts have been reporting reductions in their holdings of Noranda shares in the quarter ended March 31, 1937. The latest American General Corp., reduced its holdings in the quarter from 17,400 shares to 12,600 shares, a net decrease of 4,800 shares.

Alcohol Plan Adopted

From Our Own Correspondent

MONTREAL. — Recapitalization plan agreed upon by the stockholders of Commercial Alcohols Ltd. has now been put into effect following the issuance of supplementary letters patent by the Secretary of State.

Barker's Profit Twice Dividend

Baking Firm Earns Double Preference Requirement —Stock is Listed

Preferred and common shares of Barker's Bread Ltd., Toronto, are being called for trading on the Toronto Stock Exchange on May 6, 1937. The ticker abbreviation is BAR.

Private offering in April of 1,871 shares of 5% cumulative redeemable preference stock was made by Lampard, Marston & Co., Toronto. The stock was offered at par ($50 a share) and a bonus of one common share was given with each preference share. Application has been made for supplementary letters patent making preference convertible on the basis of three common for one preference.

The company's capitalization is now as follows:

	Author.	Outstand.	Par
5% cum., red. pref.	$800,000	$425,000	$50
Common	100,000 sh.	22,000 sh.	n.p.v.

Beginning June 1, a monthly dividend of eight cents a share on the common stock has been declared by the directors, payments running to March 31, 1938.

Officers and directors of the company are: George W. Burry, president; George A. McCague, vice-president and general manager; R. B. Phipps, C.A., treasurer; R. S. Lampard; F. Erichsen Brown.

Annual Report

Net profits for the year ended March 31, 1937, reported by Barker's Bread were equal to $5.13 a share on the 5% preference share on which annual dividend requirements are $2.50 a share. Balance available for the common stock was $1.01 a share.

The company's balance sheet as at March 31, 1937, showed mortgages payable of $70,000. Fixed assets are shown at $510,963 after depreciation.

Barker's Bread Income Account
Year Ended Mar. 31, 1937

	$
Operating profit	78,641
Less: Depreciation	24,288
Income taxes	10,750
Net profit	43,603
Add: Previous surplus	147,771
Less: Settlement of pref. div.	5,421
Surplus forward	185,953

Working Capital

	1937 $
Current assets	181,054
Current liabilities	64,536
Working capital	116,518

Finance Firm Volume Bigger

From Our Own Correspondent

MONTREAL. — Industrial Acceptance Corp., which finances installment sales, experienced an increase of 74% in volume of business during the first quarter of 1937 in comparison with the corresponding period a year ago. The improvement is attributed in part to the mild winter, which stimulated automobile sales. Profits for the first quarter increased in at least equal proportion to the growth in volume of business.

Last year the company reported a net income equivalent to $3.55 a share on the class A stock and $2.30 a share on the B stock. This was the best showing ever made by the company.

Loblaw Co. Pays Bonus

Profit For Year Estimated at $1.30 a Share

Loblaw Groceterias Co. has declared a bonus of 12½ cents a share on its class A and B stock, along with the regular quarterly dividend of 25 cents a share for the quarter ending May 31 next. Both disbursements are payable June 1 to shareholders of record May 10. This brings total dividends for the current fiscal year to $1.12½ a share, compared with $1 a share for the year ended May 31, 1936.

Declaration of the bonus at this time reflects the steady increase in sales and profits which Loblaw Groceterias has been experiencing. Present indications are that sales of the company will reach a record figure of around $19 millions. The previous peak was in the year ended May 31, 1930, when sales totalled $18.4 millions.

Net profit of the company in the year ended May 31, 1936, was equivalent to $1.11 a share on the class "A" and "B" stock. Indications are that profits in the current year will amount to between $1.30 and $1.35 a share. Profits in the first 44 weeks increased by over $115,000 and it is probable that profits from sales in the two periods to be reported will show an increase of at least $30,000.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 7	Bldg. mater. 14	Indust. mines 2	Total industrials 68	Total utilities 19	Total co's. 96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	591.3	317.6	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	74.9	56.0	36.9	43.5
1937:												
Jan.	156.3	37.2	119.6	229.6	77.3	184.2	141.0	197.0	549.3	222.0	68.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	188.2	139.3	203.5	586.7	228.8	73.1	142.4
Mar.	168.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	618.2	241.7	71.0	147.2
Weekly Figures, 1937:												
Apr. 1	170.2	45.1	127.2	238.2	81.0	188.1	139.8	214.2	610.6	238.1	68.6	144.4
Apr. 8	168.0	50.2	120.2	236.7	81.8	186.3	137.0	214.9	572.6	232.3	67.3	141.8
Apr. 15	159.0	47.2	119.2	236.6	80.5	184.7	136.2	208.8	567.1	229.2	66.4	139.4
Apr. 22	153.0	44.4	109.5	231.4	78.6	180.7	133.3	198.9	544.8	222.0	65.2	135.7
Apr. 29	147.6	40.7	107.4	221.0	77.5	178.3	125.7	192.0	500.8	209.6	60.7	128.3

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
May 4	167.01	129.11	162.45
May 3	164.92	128.61	160.80
May 1	164.19	131.14	162.34
Apr. 30	160.20	128.96	161.89
Apr. 29	157.82	121.95	154.94
Apr. 28	158.25	123.79	156.23
Month ago	179.70	150.12	193.41
Year ago	127.56	131.44	127.48
High, 1937	187.67	168.59	215.36
Low, 1937	158.25	119.32	154.69

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
May 4	78.7	108.5	98.6
May 3	77.3	106.3	96.7
May 1	76.8	105.4	95.9
Apr. 30	76.5	104.2	94.9
Apr. 29	76.3	100.3	92.3
Apr. 28	76.0	100.4	92.3
Month ago	83.2	121.4	108.6
Year ago	67.9	71.1	70.1
High, 1937	92.5	122.2	109.5
Low, 1937	76.0	100.3	92.3

United Corporations Limited
5% Bonds, due February 15th, 1953

Descriptive circular upon request.

United Corporations Limited, an investment company, held assets of more than $12,695,000 at December 31st, 1936, which after deducting all other liabilities amounted to $2,777 per $1,000 bond.

Its portfolio included over 185 diversified securities, including Canadian, British, United States and foreign bonds, preferred and common stocks.

Price: 100 and interest, yielding 5.00%

36 King Street West
Toronto
Telephone: ELgin 4321

Wood, Gundy & Company
Limited

Security Offerings

National Thrift Corp.

From Our Own Correspondent

MONTREAL. — National Thrift Corp. of Halifax is making a direct offer to the public of 1,000 shares of 6% cumulative preferred stock at par. Present common shareholders are given prior right to subscribe to the new stock and any balance will then be offered publicly.

At the end of last January the general and loan departments' balance sheet showed assets totalling $191,928 and investment certificate department assets of $44,501.

Hart Battery Co.

From Our Own Correspondent

MONTREAL.—Nesbitt, Thomson & Co. are making a public offering of 50,000 shares of no par value of Hart Battery Co. at a price of $12 a share. This offering does not represent new financing and proceeds of the sale will not go into the treasury of the company.

Placer Stock Listed

From Our Own Correspondent

MONTREAL.—Capital stock of Placer Development Ltd., whose stock was recently sold in Canada, has been called for trading by the Montreal Curb Market. The listing covers one million authorized shares of which 730,000 shares have been issued, the balance remaining in the treasury.

Investment Fund Assets Show Impressive Growth

From Our Own Correspondent

MONTREAL.—Outstanding share capital of Canadian Investment Fund increased by 290,853 shares from the end of 1936 to April 21, and total net assets, with securities valued at market, were over $6.5 millions on the latter date, President Calvin Bullock states in a letter to shareholders. This, Mr. Bullock adds, is the largest growth experienced by the company in any comparable period since its incorporation.

Allowing for dividends paid this year, the letter further states, the per share net asset value was approximately the same on April 21 as on Dec. 31, 1936, "at which time it was 40% higher than two years previous."

» The World Moves Ahead! «

Automobiles

In one generation, the rich man's luxury . . . the automobile . . . has become everyman's necessity. Is there still greater progress ahead? We believe so. If the present labor troubles are not prolonged, indications favor a sales gain of 15% for 1937 over the past year. According to the Automotive Industries, registration of passenger cars and trucks this year is likely to be about 28,500,000 as compared with 26,657,072 in the previous peak year of 1930.

Our services are freely available to all investors desiring information relating to any investment field in which they are interested. Enquiries will receive prompt and conscientious attention.

JOHNSTON AND WARD
Head Office: THE ROYAL BANK BLDG., MONTREAL
TORONTO, ONT.—330 Bay Street. Telephone Waverley 4661

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PROVINCE OF ONTARIO

POWER SYSTEMS IN NORTHERN ONTARIO

(Operated by the Hydro-Electric Power Commission of Ontario)

OPERATING AND INCOME ACCOUNTS FOR THE YEARS ENDED THE 31st OCTOBER 1935 AND 1936

	Nipissing District	Sudbury District	Abitibi District	Espanola District	Patricia District	St. Joseph District	1935-36	1934-35	*Decrease* or Increase
OPERATING REVENUES:									
Power Sold to Private Companies and Customers	$ 241,565.83	$ 390,060.33	$1,411,107.22	$ 4,160.16	$ 100,827.50	$ 88,858.73	$2,236,579.77	$1,679,356.01	$ 557,223.76
Power Supplied to Rural Power Districts	5,658.87	....	....	....	....	....	5,658.87	5,020.05	638.82
Total Operating Revenues	$ 247,224.70	$ 390,060.33	$1,411,107.22	$ 4,160.16	$ 100,827.50	$ 88,858.73	$2,242,238.64	$1,684,376.06	$ 557,862.58
OPERATING EXPENSES:									
Power Purchased	....	9,504.09	689.30	5,732.00	....	....	15,925.39	12,089.83	3,835.56
Operation, Maintenance and Administration Expenses	91,155.91	82,121.78	264,178.48	1,114.55	35,615.29	22,637.46	496,823.47	419,546.01	77,277.46
Depreciation Provision for the year:—									
Principal Amount	17,751.77	27,709.72	188,750.34	193.51	....	....	234,405.34	215,896.87	18,508.47
Interest on Reserves' Balances	11,701.32	5,810.96	15,099.24	19.15	1,542.23	....	34,172.90	24,607.45	9,565.45
Total Provision	$ 29,453.09	$ 33,520.68	$ 203,849.58	$ 212.66	$ 1,542.23	$	$ 268,578.24	$ 240,504.32	$ 28,073.92
Contingency Provision for the year:—									
Principal Amount	8,597.49	18,473.14	....	129.01	....	....	27,199.64	27,199.50	.14
Interest on Reserves' Balances	6,150.01	4,905.51	....	9.99	375.85	....	11,441.36	10,136.89	1,304.47
Total Provision	$ 14,747.50	$ 23,378.65	$	$ 139.00	$ 375.85	$	$ 38,641.00	$ 37,336.39	$ 1,304.61
Total Operating Expenses	$ 135,356.50	$ 148,525.20	$ 468,717.36	$ 7,198.21	$ 37,533.37	$ 22,637.46	$ 819,968.10	$ 709,476.55	$ 110,491.55
NET OPERATING INCOME:	$ 111,868.20	$ 241,535.13	$ 942,389.86	$ *3,038.05*	$ 63,294.13	$ 66,221.27	$1,422,270.54	$ 974,899.51	$ 447,371.03
NON-OPERATING INCOME:									
Income from Depreciation Fund Investments	19,756.80	11,666.82	957.51	....	2,768.44	....	35,149.57	29,317.43	5,832.14
Interest during Construction	.84	987.18	7,691.41	....	493.13	4,238.59	13,411.15	5,196.74	8,214.41
Commission's Interest Adjustment	11,846.00	3,618.15	*39,972.85*	122.72	*40.35*	*1,121.41*	*25,793.18*	*71,770.96*	45,977.78
Total Non-Operating Income	$ 31,603.64	$ 16,272.15	$ *31,323.93*	$ 122.72	$ 3,221.22	$ 3,117.18	$ 22,767.54	$ *37,256.79*	$ 60,024.33
GROSS INCOME:	143,471.84	257,807.28	911,065.93	*3,160.77*	66,515.35	69,338.45	1,445,038.08	937,642.72	507,395.36
DEDUCTIONS FROM GROSS INCOME:									
Interest on Long-Term Debt:—									
H.E.P.C. Debentures	....	....	691,943.25	....	....	8,333.33	700,276.58	617,647.53	82,629.05
Ontario Government Bonds	77,679.32	127,055.82	117,209.47	50.39	23,964.92	3,718.20	349,678.12	369,888.41	*20,210.29
Exchange and Commissions:—									
H.E.P.C. Debentures	....	....	696.95	....	....	77.44	774.39	762.95	11.44
Ontario Government Bonds	922.22	1,508.42	1,391.52	.60	284.51	44.14	4,151.41	1,143.18	3,008.23
Amortization of Debt Discount	....	....	2,634.00	....	....	292.67	2,926.67	....	2,926.67
Miscellaneous Interest Deductions	430.81	.66	40,624.32	90.80	....	2,320.01	43,466.60	990.39	42,476.21
Total Deductions from Gross Income	$ 79,032.35	$ 128,564.90	$ 854,499.51	$ 141.79	$ 24,249.43	$ 14,785.79	$1,101,273.77	$ 990,432.46	$ 110,841.31
NET INCOME (or *LOSS*):	$ 64,439.49	$ 129,242.38	$ 56,566.42	†$ *3,302.56*	$ 42,265.92	$ 54,552.66	$ 343,764.31	†$ *52,789.74*	$ 396,554.05
DISPOSITION OF NET INCOME:									
Sinking Fund Appropriation:—									
Principal Amount	17,627.38	28,822.17	269,780.82	135.85	25,657.65	35,646.74	377,670.61	335,264.83	42,405.78
Interest on Reserves' Balances	705.35	1,148.93	9,743.63	10.52	888.21	688.68	13,185.32	....	13,185.32
Total Appropriation	$ 18,332.73	$ 29,971.10	$ 279,524.45	$ 146.37	$ 26,545.86	$ 36,335.42	$ 390,855.93	$ 335,264.83	$ 55,591.10
SURPLUS (or *DEFICIT*) AFTER SINKING FUND APPROPRIATION:	$ 46,106.76	$ 99,271.28	†$ *222,958.03*	†$ *3,448.93*	$ 15,720.06	$ 18,217.24	†$ *47,091.62*	†$ *388,054.57*	$ 340,962.95

†Loss *Decrease

Bond Markets

Decline in Markets Has Run Its Course

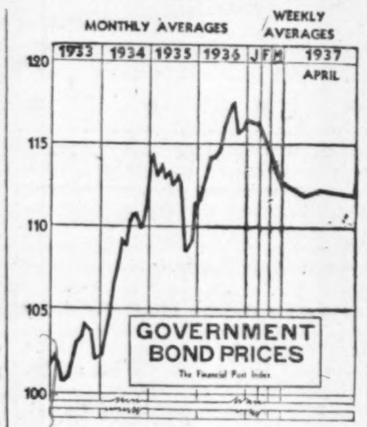
Market Is Expected to Consolidate Its Position Around Present Level—Banks Continue to Purchase Canadian Bonds

The decline in bond prices which was so marked during the first three months of the year appears to have run its course. Present indications are that the market can be expected to stabilize itself at about its present level. The consolidation, in fact, has been in process during the past three weeks, prices advancing slightly in the face of light trading.

The recent action of the market substantiates the view expressed by this column that the price drop early this year was not the beginning of a prolonged decline in long-term high-grade bond prices. Now, as then, basic conditions point to a continuance of generally low interest rates for some time.

A prolonged decline in long-term high-grade bond prices would in all probability be preceded by a sharp rise in the cost of short-term money and at the present time there is no sign of such a rise developing. Early in the year the cost of short-term money as exemplified in the rate on Dominion of Canada treasury bills turned upward, but recently the trend has been reversed. The rate is now approximately the same as at the first of the year. The cost basis for the $20 millions issue sold on April 30 was 0.749%. This compares with a cost of 0.771% on April 14 and 0.805% on March 12.

As was forecast by The Financial Post two weeks ago the Dominion Government is carrying out the conversion of its $236 millions Dec. 1 maturity in two pieces. The straight conversion loan of 1%, 2% and 3½% bonds has been well received



Bank Holdings

Security holdings of the chartered banks are currently at a record high level of $1,427 millions, the increase during the first three months of the year being $43 millions.

During March the banks increased their holdings of Dominion of Canada and provincial bonds by $12 millions and their holdings of Canadian municipal bonds by $6 millions. Corporation bond holdings increased by $4 millions and foreign public securities declined by $17 millions. The net increase in the total amount of securities held was $5 millions.

These figures indicate that the banks are still a very large factor in the bond market and their buying of Canadian bonds gave considerable support to the market during the first three months of the year.

It should be noted that the increase in security holdings does not give a complete picture of the amount of bank funds utilized in buying bonds from month to month. The banks have large maturities falling due each month, proceeds of which are re-invested.

Bank loans recorded an increase in March. The outlet for funds in this direction at the present time, however, is not large enough to affect the volume of funds available for investment in bonds.

Inflation

While admitting that the basis of inflation is present, A. E. Ames & Co. in its May letter states that inflation, in the generally accepted use of the word, has not yet appeared in its expected form. It can only appear in aggravated form when the turnover of money is accelerated. At the present time the turnover is considerably less rapid than in 1928 and 1929.

The letter says in part:

> "When the question is asked whether we have inflation it should be evident that any answer will be subject to reservations. The answer can be affirmative in the sense that the easy money policy in Canada and other countries has been essentially inflationary. We have departed from the gold standard and enlarged the supply of money to the highest point in our history. This is typical inflationary technique.
>
> "But if by inflation is meant an isolated depreciation of the value of a currency accompanied by swiftly rising commodity prices, then the answer, at this stage, would have to be in the negative. In terms of the currencies of our principal customers abroad the Canadian dollar is not depreciated. Nor, except in special instances where supplies have been radically curtailed or production costs have increased, is there evidence of a general rapid rise of prices that characterizes inflation."

Reject Conversion

As was to be expected the Provincial Government in Quebec has given short shrift to the forcible conversion proposal contained in the Quebec City bill.

Forcible conversion proposals have been commonplace in western Canadian provinces and cities, but in eastern Canada they have been largely confined to the cities of Montreal and Quebec. Naturally this has caused some worry among investors in the bonds of these two cities. As a result Premier Maurice Duplessis' firm stand against such tactics will be welcome news to investors in Quebec municipal bonds

No good purpose could be accomplished by forced conversion of the bonds of these two cities. Rather a great deal of damage would be done to the credit of the two cities and of the province.

Both Montreal and Quebec may be faced with serious financial difficulties but forcible conversion would not be a solution to their problems. If a reduction in debt charges is absolutely necessary they would be well advised to consult representatives of bondholders with a view to working out an adjustment as was done in Calgary and Edmonton.

Market Trend

Price of high-grade government bonds continue firm.

Trading in western provincials has been light. Alberta issues have remained firm. British Columbia and Saskatchewan issues have declined fractionally while Manitoba bonds have strengthened.

In the corporation list the trend has been downward, both with high grade and speculative issues.

The trend of the high-grade market is indicated below:

The Financial Post Index of Average Price and Yield of High-Grade Gov't. Bonds

1937	Price $	Yield %	1936	Price $	Yield %
May 4	112.07	3.439	May 4	114.49	3.296
May 3	112.00	3.458	May 2	114.48	3.296
May 1	112.00	3.458	May 1	114.45	3.300
Apr. 30	111.86	3.474	Apr. 30	114.45	3.300
Apr. 29	111.75	3.486	Apr. 29	114.45	3.300
Apr. 28	111.75	3.486	Apr. 28	114.43	3.307
Year's	116.81	3.026	Year's	117.91	2.966
Range	111.60	3.505	Range	111.50	3.597

Should "Beauharnois" be Bought?

What is the outlook for this company?

Can any developments be expected in the near future? Are its securities a buy?

Write or telephone for our analysis.

•

Thomson, Martin & Company
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WAverley 3041

We recommend

CANADA STEAMSHIP LINES LTD.
6% Bonds
Due 1st October 1941
Price: 69¾ flat.

Descriptive literature will be forwarded on request.

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Great Lakes M. & O. Claim Under Dispute

Paper Claim Exceeding $2 Millions May Go to Court

INTER-COMPANY DEBT

Active legal negotiations are being undertaken by Great Lakes Paper Co. on its claim for more than $2 millions against the estate of its former parent firm, Minnesota & Ontario Paper Co., which is in bankruptcy. It is possible that the claim may soon go to trial in U. S. District Court at Minneapolis.

At Dec. 31, 1936, Great Lakes Paper Co. carried the claim in its balance sheet at $2,969,924 as filed with the trustees for M. & O. Paper. A full reserve was set up against it, however, to take care of the contingency of possible loss.

The statement of the M. & O. trustees at Dec. 31, 1936, includes the Great Lakes Paper claim among those under dispute and puts the amount at $2,340,540. The trustees' report stated that preparation was being made looking to an early trial of the claim of Great Lakes Paper Co.

Claim for Paper Sold

The claim of Great Lakes against M. & O. is largely for paper made by Great Lakes and sold by M. & O. When both companies entered receivership early in 1931, the inter-company debt remained unpaid. It is understood that the principle question that may be settled in court is whether M. & O. was sales agent for Great Lakes or whether it was buying the paper and reselling as a principal. If agency were established, it is believed that the Great Lakes claim might be ranked as a preferred item in connection with settlement of the M. & O. bankruptcy. Otherwise, Great Lakes may rank only as an ordinary creditor, junior to heavy prior claims against M. & O. Another question to be settled is the amount of the claim that may be admitted.

Great Lakes Paper Co. was originally a subsidiary of Minnesota & Ontario Paper Co. which exercised control through ownership of 50% of the former preferred stock of Great Lakes and all of the former Great Lakes common shares. Most of this equity was wiped out by the reorganization of 1935 which gave bondholders control of the Great Lakes firm.

VICE-PRESIDENT

G. H. Bartlett, new vice-president of the Barrett Co. Ltd., Montreal, who succeeds L. F. Long, now in New York. A Canadian, Mr. Bartlett joined the Barrett Company in 1927. He will shortly visit company branches in Toronto, Winnipeg and Vancouver.

Company Reports

Saguenay Power

Saguenay Power reports consolidated income of just under $1.2 million for the quarter ended March 31, 1937. Comparative figures for the previous year are not available, and this is the first time the company has issued an interim statement. After all charges, including depreciation and income tax, there was a net income for the period of $341,765. From the surplus the company paid a dividend on the preferred stock and distributed $840,000 on the common stock, or an amount equal to $4 a share.

Consolidated Income Statement
3 Months Ended Mar. 31, 1937

	$
Operating revenue	1,179,579
Less: Operation, mainten., etc.	136,362
Taxes (other than income)	61,540
	981,677
Other income	14,384
	996,061
Less: Int. on funded debt	359,750
Other interest	3,231
Amort. of fin. expense	43,429
Net income	589,601
Less: Depreciation	169,648
Income taxes	78,188
Net income	341,765
Consolidated Statement of Surplus	
Surplus—Dec. 31, 1936	3,274,270
Net income for period	341,766
	3,616,036
Less: Dividends, preferred	68,751
Dividends, common	840,000
Surplus forward	2,707,284

Gurney Foundry Co.

Gurney Foundry Co. reports a net loss of $7,693 in 1936 after providing for depreciation. As a result the company was unable to pay bond interest on its $780,000 of 5½% income bonds in cash. Bond interest was paid by issuance of $5 preferred stock as provided by the reorganization plan approved in 1935.

Deficit for the year, after charging bond interest, was $60,300, compared with $42,500 in 1935.

In commenting upon the provision for depreciation auditors state that "lump sums have been provided for depreciation for some years. The aggregate which should have been provided, adopting regular rates as a basis, would amount to a sum considerably in excess of that now provided."

Fixed assets, after deducting depreciation reserves, are carried in the balance sheet at $1,364,624.

Income and Surplus Account
Year Ended Dec. 31, 1936

	$
Profit on sales	272,099
Add: Other income	13,820
Less: Selling expenses	153,028
Warehouse expenses	32,937
Legal expenses	103
Administration	57,607
Depreciation	40,595
Bad debts w/o	9,343
Loss for year	7,693
Add: Bank interest net	9,707
Bond interest	42,900
Deficit for year	60,300
Less: Previous surplus	10,651
Add: Adjustments net	274
Deficit forward	49,923
Working Capital	
Current assets	548,646
Current liabilities	203,860
Working capital	344,786

Canada Dry

Canada Dry Ginger Ale, Inc., reports a smaller loss for the three months ended March 31, 1937, than for the corresponding period of 1936. Deficit was 5.3 cents per share in the 1937 period against 34.5 cents a share in 1936. For the six months ended March 31, 1937, the company had a net profit of 19.8 cents a share compared with a deficit of 44.5 cents a share in the six months ended March 31, 1936.

Sales of carbonated beverages increased 620,000 cases over the comparable 1936 period and for the six months ended March 31, 1937, are up 1,407,000 cases over the like period of the previous year. The work of establishing sales organizations in various parts of the United States is proceeding but expenses have been heavy, particularly in the early stages.

Consolidated Income Account
Three Months Ended March 31

	1937 $	1936 $
Gross profit	1,544,807	1,032,149
Less: Expenses	1,490,279	1,103,964
Oper. profit	54,528	*71,815
Add: Other income	25,220	32,153
Gross income	79,748	*39,662
Less: Other deductions	28,036	71,222
Depreciation	59,386	49,306
Interest	18,002	12,420
Est. inc. taxes	1,557	4,478
Net loss	27,233	177,088

*Loss.

Six Months Ended March 31

	1937 $	1936 $
Gross profit	3,185,821	2,020,268
Less: Advert., sell., distr. and admin.	2,911,130	2,055,628
Oper. profit	274,691	*35,360
Add: Other income	59,208	61,867
Gross income	333,899	26,507
Less: Other deductions	69,505	128,499
Depreciation	117,023	98,145
Interest	19,825	14,187
Est. inc. taxes	26,000	14,328
Net profit	101,546	*228,652

*Loss.

Economic Invest. Trust

Equity for the common shares of Economic Investment Trust had grown to $53.48 a share at March 31, 1937, from $35.16 a year earlier. The 1937 equity is the highest ever reported by the company. Directors point out that part of the increase in 1937 income is due to receipt of accumulated arrears of interest and dividends.

Income and Surplus Account
Years Ended March 31

	1937 $	1936 $
Dividends, int., etc.	149,420	100,755
Less: Expenses	9,300	8,664
Directors' fees	2,500	2,292
Int., exch., etc.	882	786
Bond interest	47,475	47,475
Trustee, auditor, regist.	1,882	1,930
Legal fees	773	......
Income tax	3,438	799
Net profit	83,170	38,809
Less: Dividends	69,870	34,935
Surplus for year	13,300	3,874
Add: Prev. surplus	105,509	101,263
Inc. tax adjust.	89	372
Surplus forward	118,898	105,509

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Can. Paper, A	6%	1945	June 4	103½
Avon River Pr. D.	5%	1964	July 1	103
Can. Steamships	5%	1943	Aug. 15	105
Mar. T & T. A	5%	1956	July 1	104
Simpson, Robt...	5%	1952	July 1	105
Tor. Housing, A	•5%	1953	May 25	105
H. Walker-G. & W conv. debs.	§4½%	1945	June 1	104
Tooke Bros.	•7%	1942	June 1	107
Mont Louis Seigniory	6%	1944	June 1	100
Aluminium	5%	1948	July 1	105

For sinking fund: •$37,000.

§$1,250,000; any of the debentures thus called may be converted into common stock of Hiram Walker-Gooderham & Worts Ltd prior to June 1, 1937 at $45 per share.

•For sinking fund purposes.

Stock Issues:	Rate	Year	Date	Price
Can. For. Invest.	†8%	pref.	July 1	105

†$100,000.

Religious Issues:	Rate	Year	Date	Price
Soeurs du Sacré Coeur, Ottawa	4½%	1937	June 1	101
La Congrég. de Saint Dom. du Tiers-Ordre Enseignant. Valleyfield	5%	1937	June 1	100
Soeurs Grises de la Croix, Ottawa	5%	1937	June 2	102
Collège Notre Dame, Côte des Neiges	4½%	1937	June 1	101
Fabrique Saint Vital, Montréal-Nord	5%	1937	June 1	101
Soeurs Sainte Marthe	5%	1937	June 1	100
Soeurs de Charité d'Halifax	6½%	1937	July 1	105
R. C. Bishop St. John	5%	1939	July 1	101

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required Classified ads. payable in advance.

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Canadian Industrial Opportunities
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MIDLAND, CANADA
Write: W. C. Atkinson, Commissioner, Midland, Ont., Chamber of Commerce.

Bond Sales

Prince Edward Island

The province of Prince Edward Island has sold $400,000 of 10-year 3½% debentures to Bell, Gouinlock & Co., Toronto investment firm, at 98.17, which is a cost basis to the province of 3.72%. The issue is dated May 15, 1937, and matures May 15, 1947. Proceeds of the issue are to be used to finance permanent public works. Public offering of the bonds is being made at 99.50.

The last issue of bonds sold by the province was $250,000 of 3% 10-year debentures which were optioned to J. L. Graham & Co. at 100.43 early in Nov., 1936. Unable to secure a better deal from the province when the market declined J. L. Graham & Co. dropped its option. The bonds were subsequently taken up in December by the Royal Bank and Gairdner & Co. at a lower price.

Bids for the $400,000 issue sold on April 30 last were as follows:

	Price $
Bell, Gouinlock & Co.	98.17
A. E. Ames & Co.; Wood, Gundy & Co.; and Dominion Securities Corp.	97.63
Royal Securities Corp. and Bank of Montreal	97.53
McLeod, Young, Weir & Co.	97.30
Dyment, Anderson & Co.	97.15
R. A. Daly & Co.	96.277
Royal Bank	96.25

* * *

City of Kingston

Kingston, Ont., has sold $40,000 of 2½% five-year installment bonds to R. A. Daly & Co., Toronto at 100.73. This represents a cost basis to the city of 2.25%.

In May, 1936, the city sold $57,500 of 2½% five-year serial bonds at a price of 101.03, the cost basis to the city being 2.10%.

Bids for the $40,000 issue were as follows:

	Price $
R. A. Daly & Co.	100.73
Dominion Securities Corp.	100.03
Chambers, Morden & Co.	100.03
Wood, Gundy & Co.	99.78
Cochran, Murray & Co.	99.75
J. L. Graham & Co.	99.175
A. E. Ames & Co.	99.05
Harrison & Co.	98.53
Dyment, Anderson & Co.	98.13
McLeod, Young & Weir	97.26

* * *

Treasury Bills

The Bank of Canada has announced the sale of $20 millions of Dominion of Canada treasury bills at an average discount price of 99.81357. This represents an average cost to the Dominion of 0.749%. Comparative figures of sales since the first of the year are as follows:

Treasury Bill Sales

Date	Amount $	Price $	Yield %
Jan. 15	25,000,000	99.816	0.747
Feb. 1	30,000,000	99.815	0.759
Feb. 15	25,000,000	99.811	0.776
Mar. 1	20,000,000	99.800	0.795
Mar. 15	25,000,000	99.797	0.805
Apr. 1	25,000,000	99.802	0.786
Apr. 15	25,000,000	99.808	0.771
May 1	20,000,000	99.813	0.749

Scott Chibougamau Elects New Directors

MONTREAL.—At the organization meeting of directors of Scott Chibougamau Mines, A. H. McKay was elected president; Lovell G. Mickles, vice-president and R. B. Wightman, secretary-treasurer.

Other directors elected at the annual meeting, in addition to the above, include E. O. D. Campbell, of New York, W. C. Nicholson and R. P. Mills, all of Montreal.

Paper Mills' Output Bigger

Considerable Activity Now in Bringing in Old Units

APRIL SALES UP 15%

From Our Own Correspondent

MONTREAL.—Shipments of newsprint from Canadian mills last month were, judged by preliminary returns, about 15% greater than the same month a year ago; output advanced in about the same ratio.

In April, 1936, Canadian mills produced 258,721 tons and shipped 267,296 tons. For the past month final returns are expected to show a production in the neighborhood of 300,000 tons and shipments close to 310,000 tons.

Since the turn of the year the newsprint manufacturers have been busily engaged in meeting the demand for supplies, particularly from American publishers, though the Canadian and overseas demand has also been on the increase. Official returns to the end of March showed a cumulative increase in production of 170,677 tons, or 24.6% more than the same period in 1936.

May Stagger Orders

The seasonal lull in newsprint production and shipments should start shortly. However the Newsprint Committee of the American Newspaper Publishers Association has been urging the publisher members to stagger their requirements over the summer months, so as to lighten the usually heavy demand for paper that develops in the fall months. If demand for newsprint paper continues to increase as it has done in the past few months, manufacturers may be hard put to supply the demand unless this policy of staggering is carried out.

Meanwhile a number of Canadian manufacturers have either put additional machines into operation or are working on plans to bring in additional machinery in time for fall shipments.

The Ontario Paper Co.'s development on the Lower St. Lawrence will not be ready until the spring of 1938. It will have an initial capacity of probably better than 100,000 tons of paper annually. As far as this year is concerned, however, it will not be a factor in the market situation.

Two Machines for Consolidated

In the last few weeks Consolidated Paper Corp. has brought in an additional machine at Grand-'Mère and another one at the Belgo plant. It is believed they aggregate about 150 tons daily, which would give the company an additional annual supply of around 45,000 tons.

The Port Alfred plant of Consolidated is still working three of the four machines. There is no official word of bringing in the last machine this year. Such is a possibility; at least it is likely to be done before the company goes ahead actively with its plans of reopening the Cap de la Madeleine mill.

St. Lawrence Paper Mills plans to bring in another machine to take care of additional and prospective business. At present five of the six machines at Three Rivers are in operation.

Abitibi's plans for the Ste. Anne mill at Beaupre, P.Q., are well advanced and it is understood production will start up shortly. This mill has two machines of modern construction with a manufacturers' rating of 275 tons daily.

The Fort William mill of Abitibi was scheduled to come into operation this week. This plant has an annual capacity of 52,000 tons.

International Power and Paper of Newfoundland is flirting with the idea of installing one, and possibly, two, additional machines at its Corner Brook plant. The matter has been under consideration for several months and it is understood there is no obstacle, as far as power supply and wood is concerned, to increasing capacity.

Quebec Central Railway Reports Larger Revenue

From Our Own Correspondent

MONTREAL. — Quebec Central Railway Co., subsidiary of the Canadian Pacific Railway, reports gross earnings for 1936 of $1.4 million, an increase of $41,089 over 1935. Working expenses, including taxes, exceeded the previous year by $57,569, leaving net earnings of $47,909, a decrease of $16,480 compared with the year before.

We Own and Offer:

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Province of Prince Edward Island
3½% Bonds
Due May 15, 1947
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Circular containing information received by us from Mr. Charles A. Banks, Managing Director, Placer Development Limited, will be promptly furnished on request

The Capital Stock of this Company is now listed on the Montreal Curb Market

Greenshields & Co
Incorporated
97

Dominion of Canada Conversion Loan

The Bank of Canada is authorized by the Acting Minister of Finance to receive applications to convert Dominion of Canada 5½% Victory Loan Bonds maturing December 1, 1937, into:

Two-Year 1 per cent. Bonds, due June 1, 1939
Issue Price: 99.25%
yielding approximately 1.38% to maturity;

OR

Five-Year 2 per cent. Bonds, due June 1, 1942
Issue Price: 98.25%
yielding approximately 2.375% to maturity;

OR

Twelve-Year 3¼ per cent. Bonds, due June 1, 1949
(Callable on or after June 1, 1946)
Issue Price: 99.00%
yielding approximately 3.35% to maturity.

Victory Loan Bonds accepted for conversion into any of the maturities of the new loan must have attached the final coupons due December 1, 1937, and will be valued at a price of 102.25% (the coupons due June 1, 1937, detached).

Bonds accepted for conversion will be exchanged for interim certificates of the new loan on June 1, 1937, when the resultant cash adjustments in favour of the applicants will be made.

Bonds will be dated June 1, 1937. Principal and interest will be payable in lawful money of Canada. Interest will be payable, without charge, semi-annually June 1 and December 1, at any branch in Canada of any chartered bank.

Denominations:
1 % Bonds, $1,000
2 % Bonds, $1,000
3¼% Bonds, $100, $500 and $1,000

No part of this loan will be offered for cash subscription.

Applications may be made to the Head Office of the Bank of Canada through any branch in Canada of any chartered bank or through any recognized dealer, from whom copies of the official prospectus containing complete details of the loan may be obtained.

The application lists will open on May 5, 1937, and will close as to any or all of the maturities, with or without notice, at the discretion of the Acting Minister of Finance. The Acting Minister of Finance reserves the right to limit the amount to be issued in any maturity.

OTTAWA, May 5, 1937.

The Financial Post

Member Audit Bureau of Circulations

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TORONTO, MAY 8, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

Empire Preference Under Fire

A VIGOROUS attack upon the system of Imperial preference in tariffs was voiced by James A. Farrell, former chairman of the United States Steel Corporation, and chairman of the National Foreign Trade Council, in a speech last week.

Mr. Farrell argued that the Imperial preferential system was incompatible with the "most-favored-nation" clause in trade treaties.

Many world trade preferences have discussed the relationship of Imperial preference to the most-favored-nation clause under which two countries signing treaties agree to grant to one another the most favorable treatment accorded any nation. And it has been universally the practice of such conferences to recognize that, between a group of countries affiliated as the British nations are affiliated, a system of preference may properly be continued without doing violence to most-favored-nation treatment. It is unlikely that the British nations will agree to any deviation from that interpretation, in spite of Mr. Farrell and the London Economist, which holds much the same view as he.

Mr. Farrell added:

> "For British countries, any domestic advantages of a temporary character derived from the Ottawa policy are offset by the greater difficulty experienced in maintaining economic relations with the non-empire countries."

This is an appeal to the British nations to abandon Imperial preference in their own interests. Mr. Farrell goes farther than the administration at Washington which has merely suggested, unofficially, that the British nations might modify the system of Imperial preference to permit more trade treaties to be signed between Empire countries and non-Empire countries.

The countries of the Empire have no intention of throwing Imperial preference overboard at this time or within the foreseeable future. But it is quite possible that, as other nations give indication of their willingness to abandon their own policies of extreme economic nationalism, the Empire will loosen its own bonds of preferential trade. Leadership must come from the country that has been most egregious in its tariff follies, the United States. If Mr. Hull's idealism in that respect can be turned into active policy and practice at Washington the Empire will not be backward in following suit.

Another Look at Gold

THE "gold scare" seems to have passed for the moment. Washington denials of any early change in United States gold buying policy seem finally to have been taken at their face value. Latest reports from Washington have it that the administration will seek to attain its objectives—of damming up the flow of gold—by some other policy. There are numerous possibilities, including manipulation of the foreign exchanges to discourage outside investment in the United States, or a co-operative agreement with Britain under which London would share with the United States the burden of sterilizing the world's excessive gold. Washington has also been advised to put gold coins into circulation again.

Little did Mr. Roosevelt visualize the long-term consequences of his action when he put the price of gold at $35 an ounce as one of several steps designed to give the United States managed money. Values in the United States have not equated themselves with the price of gold and the foreigner with gold can buy American wealth at less than its real worth. Many have rushed to do so and an embarrassing inflow of gold has resulted.

Circumstances may combine to reverse the movement during the coming year. Prices may begin to rise more rapidly in the United States, despite inept official efforts to control inflation. England may start a gold-buying policy of its own. Capital may find other markets more attractive than American markets.

However, if nothing happens to stop the inpour of the yellow metal into the bulging vaults of the United States treasury, then nervousness about gold will be on us again and it may not turn out to be a "scare" as it has this time.

How much more gold the United States is willing to buy at an arbitrary price is beyond any man's knowledge. No answer to that question can be obtained from a government that is on a "24-hour basis" in monetary policy and which is directed by an executive who thinks of himself as a quarter-back calling the signals as the fortunes of the game suggest. But even a big and wealthy nation is bound to put some limits ultimately upon a policy as expensive and prodigal as American gold policy. Overhanging the gold share markets in the coming months will hang the threat of a retreat by the administration.

At present in the picture is the possibility of foreign exchange movements that will put Canada's dollar at a discount and give our gold producers the benefit of a premium on their output. This possibility serves to heighten the excitement of venturing into gold shares.

The Financial Post, in recent weeks, has sought to present all angles of the gold situation and has not glossed over the aspects of uncertainty and insecurity in the present position. There is bound to be uncertainty in any situation that is dominated, in the short run at least, by the vagaries of theorists who have been given the right to "manage" money but not the knowledge of how to do it.

Newsprint Policies

THE rise in newsprint security values seemingly has not run its course. When the industry gets to the point where its securities are again considered in the investment class, it will be well to watch out for a repetition of those factors which brought about the downfall of the industry.

During the period when the industry was suffering from a lack of tonnage and too low a selling price, the manufacturers were agreed that they would be content when sales got back to a normal level and the price to a point where they could earn about six per cent or eight per cent on the capital invested. With $50 newsprint, the industry can earn better than six per cent on capital. But already several of the manufacturers are showing a desire to follow the old principle of charging as much as the market will bear. Others are opposed to this policy. However, with the pressure of the stock market calling for a price to justify present and anticipated security values, it is much too likely that the price policy of the Canadian industry over the next few years will be to hold up the consumer, without consideration of what is a fair return to the manufacturer. This will encourage the establishment of new mills and, if history repeats itself, overproduction and the breakdown of the market.

It will take extraordinary restraint on the part of the Canadian manufacturers not to attempt to gouge the publishers, especially when it is considered that many of the leading figures in the industry today played a part in the breakdown of the industry back in 1928-1930.

Some Axioms About Wages

THERE are several simple facts that ought to be kept in mind in all discussions regarding wages.

One is that a generally higher level of wages can come only out of increased production. The number of employers who are paying lower wages than they can and should pay is more limited than some people think

A second is that labor is interested in "real wages" more than money wages. Labor could get much higher money wages now and still be exploited by a rising price level.

A third is that continuity of employment and income is all important to workers.

These are not narrow arguments against wage increases now or at any particular time. Under certain circumstances, they would be definite arguments for wage increases.

One of the things our industrial system will have to find a way of doing is to use fortuitous earnings of exceedingly prosperous times to set up reserves for the continuation of employment and wage distribution during times of depression.

There must be a good deal more wise experimentation before the answers to all our industrial problems will be found. Industries that have found some of the answers should take every means of publicizing what they have done, in order that fair dealing and amicable labor relations may be more widely spread.

Talking the Markets Down

BEST explanation we have yet seen of the recent stock market decline is that contained in a headline in The Sphere, Washington. The headline reads "Markets Fall For Propaganda."

Early in March, important investment groups in the United States became convinced that a decline in stock prices and some halt in commodity speculation were overdue. They moved to put their own houses in order and advised their British and Canadian connections accordingly.

What finally touched off the break was a series of official and semi-official statements from Washington. The President said the durable-goods industry was moving too rapidly. His key men came out with statements that inflation threatened and ought to be curbed; that stock margins ought to be increased; that gold was too high; that prices were getting ahead of recovery, and so on.

In the face of rapidly advancing business and a generally favorable outlook for continued economic improvement, the stock and commodity markets turned downward. The downturn revealed the existence of weak speculative positions in commodities in London and in gold shares in Johannesburg. To an obbligato of wild rumors and excited fears, markets went through a process of retracing their steps. Up to the moment of writing they have not declined more than the normal reaction that has always followed extended advances.

Washington has got what it wanted, some control of the economic advance, some curb on speculative enthusiasm. No new policy of any consequence has been adopted and not a single one of the numerous instruments of control and economic management with which Mr. Roosevelt has armed his administration has been used. The only device used was talk.

Investors and businessmen may as well make up their minds that Washington will not hesitate again to use the same device when a suitable occasion suggests itself. Washington knows that an inflationary economic advance is inevitable But it does not want the advance to be too swift; it does not want a major boom, followed by a crack-up, just before the next election. It wants prosperity to be spread out over a decade rather than two or three years. And every time the pace of oncoming prosperity quickens Washington will put its propaganda machines to work.

Jittery markets may be counted upon as frequent interludes in the next few years advancing business.

No Melting Pot For Canada

CANADA does not want to be a melting pot. One may favor a vigorous immigration policy without favoring the melting pot. The once widely-held belief that the races of the world could be thrown into a crucible and after a time there would come forth a new and sturdier race, with all the good features retained and the bad ones eliminated, has been thoroughly discounted. The melting pot type of immigration policy is not for Canada. Ethnologically and socially it is inadvisable to open the doors too wide. No matter how great the demand for immigration, it is of paramount importance to have selective immigration. This is the first consideration in devising a more liberal scheme for the settling of our vacant land areas. Also, whatever forward policy be adopted in this respect, it is essential that it be definitely tied in with the present and future absorptive capacity of this Dominion, an important point stressed recently by Professor W. B. Hurd in these columns.

What this country wants is additional British stock. Under the enlarged Settlement Act, the British Government offers $7.5 millions annually toward paying up to 75 per cent of the cost of approved schemes of assisting Empire settlement. The balance would have to be subscribed by the Dominion concerned. It follows naturally that in accepting this plan, the Dominion Government would have to make provision for financial assistance to those already here who want to return to the land. From these two sources a well-organized movement to the land could be developed which, over a period of years, would see the settlement and cultivation of a large area of at present unoccupied farm lands.

The settlement plan need not necessarily stop there. There are other fields which could be drawn upon for new man power. The Scandinavian and northern European countries offer an excellent type of settler who would be welcomed in any country. The United States, too, is a field that could be cultivated with good results.

Selected immigration is not a major problem. The right type of immigrant can be had in as large a number as can be economically absorbed. There is no need for Canada to go far and wide for new population; all that is needed is the freer entrance of selected people in accordance with the absorptive capacity of the country.

Editorials in Brief

The city comptroller of Edmonton urges that all the publicly owned utilities in the city should be taxed as though they were private companies. The proposal is sound. Residents of Edmonton will not know what their utilities are costing them until they require them to pay for the civic services provided by the taxpayers at large, and from which the utilities benefit. Every well-managed business enterprise adopts methods of cost-accounting that indicate just what each department of the business is doing in relation to other departments.

* * *

"Country Boys Make Good in a Big City." This is the title chosen by George W. James, editor of the Canadian Statesman, of Bowmanville, for a recent address in Toronto. Mr. James listed a number of eminent Canadians whose careers of success have been favorably influenced by their early reading of his paper. Included were Hon. Herbert A. Bruce, W. N. Tilley, K.C., R. S. McLaughlin, J. E. Atkinson, A. N. Mitchell and Hon. Vincent Massey.

Telling of the intimate relationship between the country weekly and its readers from birth notice to obituary, Mr. James said:

> "Reader interest in a weekly newspaper centres around the three greatest institutions in any community . . . The Home . . . The School . . . The Church . . . resulting in good wholesome news and creating an intimacy and familiarity which just makes it seem natural for the reader to speak of it as 'our paper,' . . . In fact a weekly newspaper is as much a part of the family it serves as the family cat or dog.

Mr. James has reprinted his speech in an attractive illustrated booklet.

Sayings of the Week

"Tell the truth emphasizing the good as well as the bad."—*Advice to newspapers from Daniel C. Roper, U. S. Secretary of Commerce.*

* * *

"Europe and the rest of the world is once more rattling into barbarism and nothing is being done about it."—*George Lansbury.*

* * *

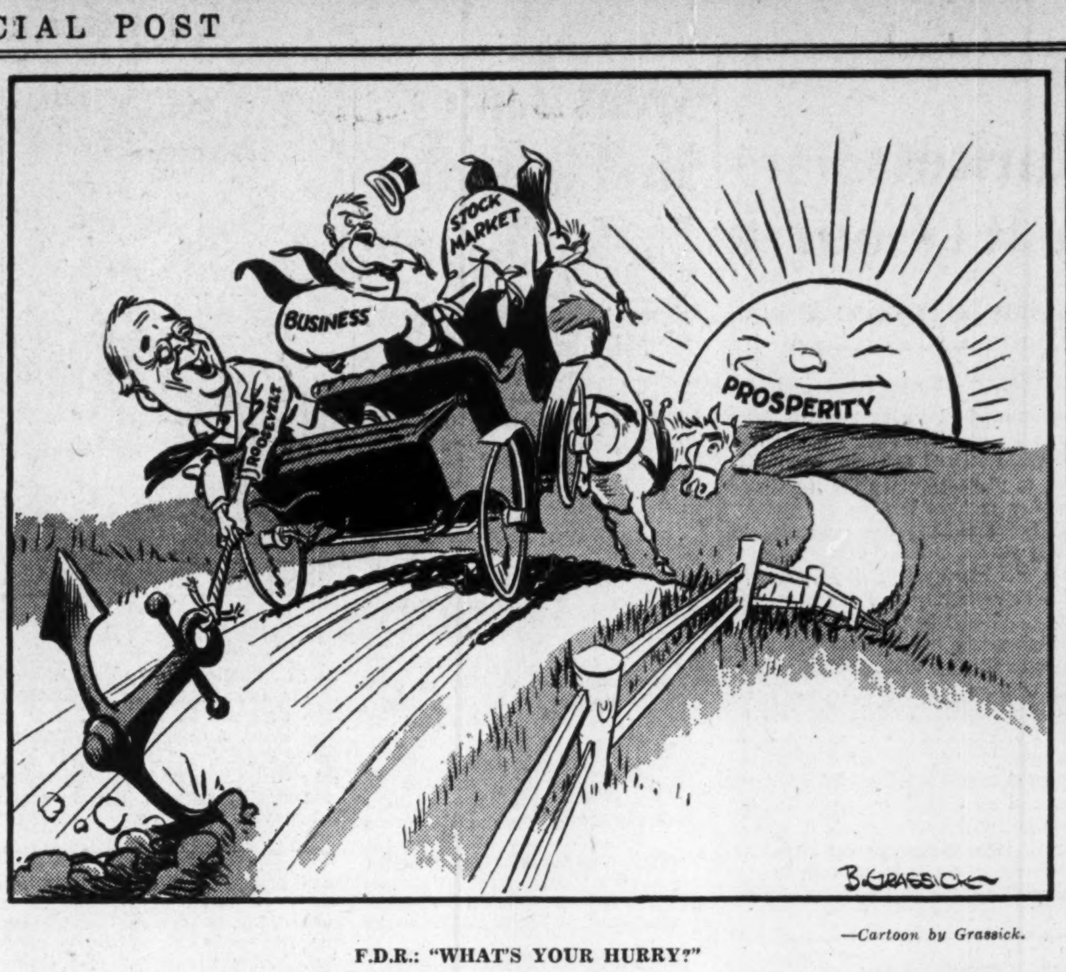
"The principal danger to modern civilization lies in those nations which, largely because of an armament race, are headed directly toward bankruptcy."—*President Roosevelt.*

* * *

"The platitudinous pacifism of so-called democracies should deceive no intelligent man. Italy is arming only because it is an imperative duty in face of the armaments other nations are building up."—*Benito Mussolini.*

* * *

"I cannot help but feel that the taxpayer will find some consolation in the thought that his additional contribution will represent an ever-quickening approach to the goal of safety."—*Rt. Hon. Neville Chamberlain presenting his arms budget.*



—*Cartoon by Grassick.*

F.D.R.: "WHAT'S YOUR HURRY?"

In the Mail

(Not over 200 words, please)

Commission Counsel

Editor, The Financial Post:

While of course your editorials are persistently matters for congratulation, I must give myself the pleasure of commenting on two which I have just been reading in my copy of April 10, which arrived last night.

While any fair minded man who, even casually, visited a sitting of the Price Spreads Enquiry must have been in thorough agreement with your early expressed views, it must be a great satisfaction to you to now be able to quote Mr. Bennett in confirmation. How well I remember my rage as I, on a casual visit with a friend, listened to the bullying tactics of Mr. Sommerville as he cross-examined obviously decent fellows trying their best to keep their heads and give the information for which they were being asked. How true is your statement that "the chief commission counsel acted as though he had been appointed to bring a criminal verdict of guilty....."

On my return to Toronto I remember reporting that to my astonishment and chagrin, star chamber methods must be creeping into our Canadian life. I am sure you will agree that, as a result of the method of procedure which you were then, and are now, bravely attacking, the findings of this commission were much minimized in the minds of a public, who in the long run can be counted on for fairness.

As to your editorial, "The Fathers of Re-Confederation," it is the most lucid and informative discussion of this, perhaps most important, problem with which we are faced and one in connection with which there has been, and is, much loose thinking, even among readers of your valuable journal—readers like myself if you will.

A. GORDON RAMSAY,
London, Eng.

Lewis, the Dictator . . . .

The Sphere, Washington

The first quarter was one of the most humiliating periods in the history of the United States. The executive and legislative branches of the Government permitted themselves to be terrorized by a private citizen. They sanctioned an overt and Communistic attack on national institutions. They acquiesced in seizure of property without any process of law—in defiance of all law—and they countenanced an insolent revolution. Does anybody doubt that there was a revolution?

It was said—and truly so—that N.R.A. codes were patterned on practices formulated by Capone. It was never assumed, however, that any man or group of men would have the effrontery to point a gun at American industry, everywhere, and demand from it the privilege of laying toll on every pay envelope in the nation. Quite openly, the Lewis leadership has been contending for power and for revenue; not, as it happens, for improved conditions for workmen. There was no complaint—it would have been absurd—as to wages and hours in the motor industry, for it has been a model in both areas.

Lewis, the Dictator

The object was to establish it as a fact that the right to work in the United States is granted by John Lewis, not by the Government, and that every worker must pay a tax to John Lewis or starve in the gutter, and without benefit of clergy.

Why dread a Roosevelt dictatorship? There already is a dictator, answerable to nobody, and he holds the industries of the country in the hollow of his hand.

Lewis is setting up a national organization and that necessitates a national control thereof. . . . . Lewis is not content merely with a national jurisdiction, but he has undertaken also to move along international lines. When, however, he sought to defy the Canadian Government, which he did not elect, and especially when he sought to intimidate the Premier of Ontario, he found conditions altogether different from those obtaining in Washington and in Michigan.

There can be little complaint as to the desirability of some of the avowed purposes of Lewis. Tremendous advances in utilization of the hitherto hidden principles of nature for the advancement of civilization and comfort require that a fair share of the advantages be passed along to workers. That is what technological progress is for—to lift the whole people up, not merely to enrich a few.

Fertilizing Communism

Significantly the methods employed by Lewis have so fertilized the spirit of Communism that his ability to control his own followers is very doubtful. Homer Martin, president of the U.A.W.A., has been undertaking what is called a "red purge," but the largest of his locals, at Flint, has been in almost open revolt, and it is strongly hinted that Martin is scheduled for elimination at the August convention.

The facts seem to be quite plain—Lewis and his associates control only a minority of workers (this minority is of the least competent) and what they are doing, with the connivance of the authorities, is to coerce the majority. They sit down because their demands do not stand up.

If Lewis and his group could deliver the goods—if they could assure that contracts they made would faithfully be carried out—it might, as a mere matter of dollars and cents, be worth while to hire them, though it would be revolting to the spirit of free institutions.

Cannot Deliver

But they cannot deliver, and they know it. That is why Lewis objects to the incorporation of unions, although he advances other reasons. It is also why, on the other hand, the one thing absolutely requisite is that legislation promptly be enacted that will make the unions "responsible," under positive law.

Lewis cannot eradicate the Communism that his practices have engendered. The Government can eradicate it, and the Government must.

Labor is entitled to a strong and vigorous leadership and is entitled to employ competent management. There can be no complaint if it utilizes all of its lawful resources in the attainment of its ends. But there is one right that organized labor certainly does not have, and that is the right to subvert the Government, to defy the law and, with clubs, to force all workmen, whether they wish it or not, to join with them in their crusade.

Canada's Better Course . .

By ALBERT SHAW
Editor, In Review of Reviews, New York.

The seizure of a factory at Flint, Michigan, is not a strike in the accepted sense of that word, nor is it ordinary trespass when it defies the law and resists eviction. Thus the seizure of Chrysler plants and their occupation for 18 days was as strictly local a disorder as the robbing of a hen roost. All that Washington had thus far done about it had been to make the law-defying intruders believe that—in the higher and nobler thinking of the New Deal—their conduct was heroic and praiseworthy.

In short, they had been given to feel that they were behaving exactly as Washington desired. It was a painful shock to them to discover that, if they had not obeyed Lewis's orders to walk out, the State of Michigan would have been aroused to uphold the law and put them out, even if a million indignant citizens had been obliged to come forward in aid of sheriffs, police, and National Guard.

If the intelligent but close-lipped vice-president, John N. Garner, had been asked to open the President's Conference with a few remarks, he might have read from the current news dispatches a statement issued by the Justice Minister of Canada, Hon. Ernest Lapointe:

> "The sit-down strike shall not be permitted to obtain any footing here. The administration of justice is, of course, committed to the provincial authorities and they are exclusively responsible for it, but the Dominion Government is prepared to utilize all the resources and agencies at its command to the end of restraining and eliminating this illegal mode of procedure in Canada."

If our own administration at the beginning of sit-down seizures in January had issued an unambiguous statement similar to the one quoted above, the movement would have disappeared like a snow flurry in May. Our states have more conclusive authority than the Canadian provinces. Every one of the 48 states has not only a plain duty, but also ample power to protect citizens in their ordinary rights. Owners have claims to be secure in the use of their factories and stores, even as they expect to be protected in the occupancy of their homes.

Fully backing up the point of view so clearly expressed by Mr. Lapointe, Premier Mitchell Hepburn of Ontario took a firm stand when the United Automobile Workers of America called a strike for union recognition in the Oshawa plant of General Motors in Canada.

New Books . . .

The World Shifts East

THE FAR EAST IN WORLD POLITICS. By G. F. Hudson. Published by Oxford University Press, Toronto. Price $2.25.

The Far East is not at the moment a focal point of world crisis. China, Manchukuo and the rival ambitions of Japan and the Soviet Governments in Asia have been shaken off the front pages by more dramatic and disturbing events elsewhere. But there are new crises to come as the Far East works out its destiny and as the Pacific becomes the chief contemporary stage of the world. There is something about Pacific politics that engages the earnest and almost undivided attention of a few earnest students of affairs and that repels nearly everyone else—except when some temporary cause for excitement arises. To Canadians, everything that happens on the Pacific coast of Asia and on the islands of the ocean that laps our western shores is of intense importance. The balance of power in the world is shifting. There are many observers who feel that Europe's present antagonisms represent the death struggle of that continent's domination of the world. Civilization will work out its destiny in another sphere and that sphere, not a few aver, must be the Far East where such a large proportion of the world's population is massed.

Of literature on the Pacific area there is no lack. Much of it is propagandistic in character. Mr. Hudson's little volume is a most useful addition to the library of the well-informed student and an even more useful book for the reader whose understanding of the Far Eastern situation is not fully developed. He gives enough history of the relations of Japan and China to the western powers to enable his discussion of present politics to be informing and an inspiration to further study. One dislikes to use the phrase handbook in describing something that is more than a catalogue of facts, that is written with the easy sweep of a narrative. But in size and thoroughness "The Far East in World Politics" is a handbook of Pacific problems and as such deserves in Canada, as elsewhere, a wide audience.

Color in the News

WE COVER THE WORLD. By sixteen foreign correspondents. Edited by Eugene Lyons. Published by George J. McLeod, Ltd., Toronto. Price $3.50.

Every foreign correspondent now sells his news twice over: once in dispatches to his paper or press association and again in a book about his adventures. Vincent Sheean, Webb Miller, Negley Farson, Gordon Sinclair and Robinson McLean and many others have learned that the public is avid and eager for racy accounts of how newspapermen live when they are away from home and face to face with events that are bizarre or just bloody. In "We Cover the World," sixteen correspondents join to tell of the strange things that have happened to them in curious places like Russia, Ethiopia, India, China, Manchukuo, up in the air and down in submarines.

Most of it is sheer color writing with all the emphasis upon personality and incident and little upon remote causes and major trends. In brief, the book reflects the type of writing that these men and women have done for their papers. Only a handful of them are interested in history except history in the making and events in flux. No pundits, they write with the zest with which they hunt the news.

As sheer entertainment the 16 news miniatures are grand stuff. Very few of them attempt to interpret or record what is of permanent value. Negley Farson's "Indian Hate Lyric" is not without its critical analysis of the British raj in India; Linton Wells's "Rape of Ethiopia" explains much of what happened on both sides in that unhappy land and Frank H. Hedges' "One Must Know Japan" is thoroughly serious writing. William Henry Chamberlain gives a frank account of his disillusionment in Russia. Apart from these chapters, "We Cover the World" ought to be read not as a record of history in the making but of how history in the making is reported to the world. Newspaper reporting at its worst is also revealed in Mary Knight's unblushing recital of how she obtained inconsequential "scoops" by invading the privacy of death rooms and homes.

The volume provides an explanation of where all the ambitious would-be newspapermen come from. For most men in the craft, newspaper work ends up by being pretty dull. But while there are possibilities for men and women to meet kings and princes, to follow armies, to fly around the world, to battle with censors, to freeze at night and swelter in the daytime, there will be incurable romanticists getting jobs as cub reporters in the certain hope that some day their names will appear as the by-lines on stories from far off places. "We Cover the World" ought to be good for another huge crop of recruits to journalism. In the average run-of-mine business executive, chained to his desk and family, these adventurous accounts of foreign news reporting will supply, at second hand, more romance and color than can be found in a five-foot shelf of Talbot Munday and E. Phillips Oppenheim.

As Others See Us . . . .

Low-Cost Housing

Winnipeg Free Press

The National Employment Commission is anxious to see a low-rental housing scheme launched. Mr. A. B. Purvis, chairman, recently stated that a plan had been recommended to the Government. Recently, Mr. Purvis, in a national broadcast, referred to the disgraceful housing conditions in the large cities and to the great advantages of a house-building programme in providing employment. But ten days ago, the Ottawa correspondent of The Financial Post stated that he learned that the Government had practically decided to take no action for another year, the reason being that it desired to await the report of the Royal Commission and its recommendations regarding the respective powers and responsibilities of the Dominion and the provinces. The correspondent thought, however, that there was a possibility of pressure of public opinion moving the Government to introduce a modest measure at this session.

The Free Press has recently shown, in its news columns, the actual, deplorable conditions in the congested sections of this city. The community is paying heavily for this in the greater amount of sickness, juvenile delinquency, immorality and crime. The same conditions on a larger scale exist in Toronto, where Dr. Herbert Bruce, Lieutenant-Governor, has put up a long and noble fight for decent housing for the poorer classes. And in Hamilton, Montreal, Vancouver and other cities the same problem remains to be faced.

The problem cannot be cleaned up at one sweep, but a beginning should be made with the least possible delay. Cheap money is needed for low-cost housing, and both Mr. Purvis and Lieutenant-Governor Bruce have suggested that the Dominion, the provinces and the municipalities should join in providing it. That is a reasonable arrangement.

Action is needed now, not next year, both for the sake of the employment and the better housing. And action depends on Dominion leadership and a statement of the assistance it will give.

So Say All of Us

Yarmouth Herald

Toronto Financial Post pretty well summarizes average Canadian sentiment on our modest rearmament programme, when it says:

"There is no reason for anyone to feel particularly happy about the fact that this country can afford new cruisers and new mechanized artillery units but cannot afford unemployment insurance or state health insurance or an adequate programme for providing low-cost homes. But by the same token we would be all better off if we did not have to 'waste' money on police forces and fire departments; if people bought books or supported symphony orchestras instead of buying excessive amounts of liquor."

In a world where madmen rule, no country can maintain itself as a private and secure Garden of Eden and so Britain and Canada have to arm themselves for any fray. But let us not be so short-sighted as to assume that such is the way to prosperity, to re-employment, to a higher standard of living. It is narcotic stuff that gives a temporary stimulus to business and leaves a long lingering moral and economic decadence as its continuing effect.

Molding Public Thought

Wolfville Acadian

Elsewhere in this issue the Acadian takes the liberty of republishing for the benefit of its readers an editorial dealing with the country weeklies from a recent issue of The Financial Post of Toronto. The reference that it makes to a class of newspapers that sometimes appears to be inadequately appreciated cannot fail to be pleasing to the publishers, sensible as they are to their shortcomings.

The Financial Post is a journal in which the writer has ever taken a keen interest. This has been not so much because it is a recognized authority as regards financial matters, but for the reason that its editor is seemingly so well qualified to discuss public issues in a lucid and independent manner. The constructive criticisms that are weekly presented respecting national affairs cannot fail to be effective in the molding of public thought along right channels. Canada is fortunate in the possession of the quality of journalism represented by The Financial Post, and the country weeklies that are endeavoring in a humble way to make common cause against some of the excesses of political opinion that exist from time to time in too large degree, are grateful for the manifestation of co-operation which it gives.

Worth Reading

(Essex Free Press)

In another column of this issue is an article on the country weeklies republished from The Financial Post. Any article from The Post is worth reading and an opinion voiced by its writers can usually be taken as about correct. We believe the publishers of the weekly press in Ontario will agree with The Post writer in his complimentary references to the courage of the publishers of the weekly papers in Alberta.

Stop Me If You've Heard This One . .

One of Levinsky's customers was notorious for his slowness in paying his bills. In desperation, Levinsky sent him the following letter:

"Sir: Who bought a lot of goods from me and did not pay? You! But who promised to pay in 60 days? You! Who didn't in six months? You! Who is a scoundrel, a thief, and a liar? Yours truly, Al Levinsky.

Week in Business

Low World Inventories Better Business Outlook

Dominion More Hopeful Than Either United States or Britain — Strike War Continues — Seasonal Sales Gain

Incessant world demand for basic raw materials continues to ensure a relatively favorable outlook for Canadian business, no matter what happens in Great Britain and United States. Thus argues the Monthly Letter of the Royal Bank of Canada. And it is an argument which world statistics continue to support.

Inventories the world over shrank steadily during the depression. But in spite of curtailed buying the time arrived when stocks threatened to reach the exhaustion point and the great rush to buy commodities commenced.

It was this factor which sent Canadian domestic exports for the fiscal year ending March, 1937, again over the billion dollar mark. This was almost double the exports of 1933 and within $300 millions of the peak reached in 1929. And there is no evidence yet, despite the recent break in commodity prices, that new reserves have been accumulated to any extent.

* * * *

British Armament

Thus summarizes the Royal Bank: "The financial outlook in Great Britain and the United States affects Canada, but with the incessant demand for basic raw materials from this country it is not difficult to view the outlook here as relatively better than that in either of the other countries. In Great Britain armament demands are creating a situation in which the avoidance of inflation will be difficult. In the United States the financial situation is favorable to continued recovery. Speculative excesses have been checked but the recent reaction in commodity and security markets is probably out of proportion to valid news."

* * * *

Lull in Strike War

The lull in the strike war, following the settlement with motor workers at Oshawa, Windsor and St. Catharines, is over. C.I.O. apparently has now moved staff forces to the textile front. The widely scattered character of this industry, the high percentage of women workers, and its partial location in a province differing in religion, language and custom from the rest of North America, makes C.I.O.'s invasion here of more than usual significance.

It is doubtful whether the much mooted offensive into the northern gold fields other than organization work, will be pushed so long as this other struggle remains. However, it will probably not interfere with activities among Canadian steel workers, the C.I.O. unionization of whom was scheduled to be completed by the first of this month.

* * * *

Retail Sales

Much more favorable weather in early May will undoubtedly push retail selling of seasonable goods such as clothing, millinery, building hardware, paints, seeds, implements and beverages to levels well above last year.

Until the beginning of April, volume of such goods was well ahead of the first three months of 1936. April, however, proved a big disappointment, particularly in eastern Canada where weather was generally cold and wet. So far, however, high temperatures and bright sunshine in the current month appear to have satisfied everyone but the coal men.

* * * *

Business Indicators

Railways—Again all new factors reported this week show improvement. Carloading for third week in April made substantial gain, and gross earning of both big lines well up for the last week in April. C.P.R. net revenue in March registered 25% improvement over same month a year ago.

D.B.S. Index — Advances over six points to 112.8 for week of April 24.

Construction — New highway contracts awarded in Ontario and New Brunswick and steady improvement in residential buildings send April construction records up more than double those of the same month last year.

Flour — March production off slightly.

Current trend of Canadian business is revealed in the following statistics especially compiled by The Financial Post; new figures this week being marked thus▲:

	WEEKLY DATA —Latest—		—Cumulative Total— Jan. 1 to date	
	1937	1936	1937	1936
Transportation—				
Car loadings (Apr. 24)	▲47,148	44,533	752,000	673,371
C.N.R. gross earn. (Apr. 30) ..	$ ▲5,333,641	$ 4,884,024	$ 62,263,121	$ 56,208,502
C.P.R. gross earn. (Apr. 30) ..	$ ▲3,827,000	$ 3,236,000	$ 43,714,000	$ 39,862,000
Business Conditions—				
Weekly index D.B.S. (Apr. 24)	▲112.8	106.2	......	......
MONTHLY DATA				
Business Conditions—				
Financial Post index (Mar.) .	118.3	106.0	......	......
Transportation—				
C.P.R. net revenue (Mar.) ...	$ ▲1,738,164	$ 1,347,733	$ 3,642,413	$ 2,827,703
C.N.R. net revenue (Mar.)	$ ▲1,762,380	$ 941,533	$ 2,317,496	$ 76,741
Iron and Steel (Mar.)—				
Pig iron production (tons) ..	70,986	55,009	199,381	172,096
Steel ingots and castings prod. (tons)	125,104	101,092	352,164	294,682
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Mar.)	13,378	9,490	30,701	18,548
Factory output (Mar)	▲19,313	14,488	48,737	36,602
Trucks and Buses:				
Domestic sales*	▲2,924	2,206	6,666	4,237
Factory output (Mar.)	5,588	3,533	15,454	7,989
Exports (Mar.)	▲7,100	7,613	16,850	18,818
Construction—				
Building permits (Mar.)	$ 6,654,516	$ 2,368,537	$ 10,470,129	$ 5,592,471
Contracts awarded (Apr.)	$ ▲24,426,000	$ 9,815,100	$ 55,835,700	$ 41,942,300
Newsprint (tons)—				
Production (Mar.)	301,110	243,900	864,333	693,424
Exports, tons (Mar.)	294,934	256,563	777,422	625,525
Sugar (lb.)—				
Melting & sales§ (raw)	22,026,102	20,434,690	43,699,603	41,489,975
Manufactured§	20,934,196	20,769,861	42,886,466	44,814,535
Flour (bbls.)—				
Production (Mar.)	▲1,098,544	1,171,741	3,106,868	3,172,746
Wheat flour exports (Mar.) ..	390,315	476,773	1,052,122	1,131,186
Trade—				
Retail trade (index no. of sales) (March)	75.9	71.8	......	......
Imports (March)	$ 70,973,658	$ 52,681,093	$ 171,537,118	$ 134,868,767
Exports (March)	$ 89,358,791	$ 74,581,951	$ 248,466,239	$ 202,123,973
Wheat exports (bus.) (Feb.) ..	5,362,031	14,241,169	15,151,058	21,798.489
Employment D.B.S. Index (Apr. 1)—				
All industries	103.0	97.4	......	......
Manufacturing	110.8	101.1	......	......
Electric Power Output (Mar.)—				
Total monthly m.k.h. (000's omitted)	2,412,259	2,135,640	6,876,743	6,165,115
Other Industrial Indices				
Lumbering:				
Plank & board exports M. bd. ft. (March)	148,837	142,062	426,606	309,655
Boot & shoe prod., pr. (Feb.) ..	1,929,500	1,835,240	3,411,517	3,349,199
Crude petrol. imp. gal. (Feb.)	52,419,321	39,654,916	107,058,972	100,786,265
Cotton imports, lb. (Mar.)	15,462,512	13,558,113	42,770,417	45,221,720
Raw rubber imp., lb. (Mar.) ...	5,851,745	4,052,065	12,354,403	12,246,613
Coal imports, tons (Mar.)	623,071	506,260	1,684,476	1,489,780
Cigarette cons. (Mar.) No.† ..	▲435,537	371,089	1,301,048	1,045,565
Finance—				
Bank debits (Mar.)†	$ 3,189,836	$ 2,598,811	$ 9,149,126	$ 8,356,328
Bond sales (Mar.)	$ 83,355,539	$ 121,846,225	$ 389,151,231	$ 411,292,114
Life insurance sales (Mar.) ...	$ 31,998,000	$ 30,552,000	$ 90,301,000	$ 92,733,000
Automobile Financing (Mar.)—				
Used cars	$ 2,625,014	$ 1,770,044	$ 5,688,844	$ 3,747,176
New cars	$ 3,317,005	$ 2,192,004	$ 7,091,232	$ 4,348,527

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to Feb. 27.

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Combines Act May Threaten Patent Pooling

Ottawa Believes Exemption May Apply Only to Individual Holder

CAN PROBE GROUPS

From Our Own Correspondent

OTTAWA.—A movement in Canadian industry which has made considerable headway in recent years—the movement toward patent pools—faces the imminent danger of running into serious difficulties with the law enforcement officers of the Federal Government.

While no action has been initiated as yet, the Federal authorities are understood to have been giving considerable thought and study to the patent pool device as Canadian business is employing it and to have fairly well reached the conclusion that in some of its forms it comes within the definition of a combine which is against the interests of the public.

Parliament Hill believes, accordingly, that if any complaints are filed by the public against any of these patent pool groups, the Federal Government will take the stand that the patent rights do not constitute any obstacle to either a preliminary enquiry under the anti-combines law, nor to subsequent criminal prosecution.

Patent Holder Exempt

This decision has been reached, it is stated, in spite of the fact that the Federal anti-combines law specifically exempts patent holders and protects their rights.

The suggestion of recent months on Parliament Hill has been to the effect that certain Canadian manufacturing interests have been turning to the patent law for their basic protection, in preference to the tariff. The reason is fairly obvious. The tariff in Canada has become widely affected by politics and consequently unstable. Each change of Government in Ottawa, and each year's Federal budget brought a period of anxiety to industry.

As a substitute for this situation, accordingly, manufacturers are said to have hit to an increasing extent upon the device of pooling their patents and the rights which they hold under them. By this means it has become possible for whole industries to be effectively controlled, both from the standpoint of prohibition of imports and broad regulation of prices.

Radio Imports Curbed

The outstanding example in Canada is probably the radio manufacturers' patent pool. By means of it the radio industry has been highly successful in preventing the wholesale importation of radio sets from the United States which threatened with the conclusion of the Canada-United States reciprocal trade agreement.

The Federal anti-combines' legislation exempts a patent holder from prosecution as a combine because of advantage which he may take of the monopoly rights which his patent grants him. The principle upon which the patent pool idea proceeds is that this immunity which applies individually also applies collectively. This is the point upon which the Dominion Government is said to be ready to do battle whenever the issue arises.

The Dominion authorities are said to hold that when individual patent holders combine with a view to controlling prices or regulating importation or to otherwise eliminating competition, they are in exactly the same position as business firms which combine against the public interest.

Commodities

Mixed price movements in leading commodities brought minor declines in cotton, sugar, rubber and copper, but livestock and hides resumed the advance last week and a further recovery is noted in wheat quotations.

Lower prices for cotton reflect nervousness in the trade, but the decline has discounted many of the unfavorable factors affecting cotton, trade circles feel, and prices are at a level where a technical rally is regarded as a possibility.

Reluctance of factories to make purchases of rubber except at price concessions was the chief reason for the lower tendency of rubber prices.

Comparative indices follow:

PRICE RANGE

	Latest week	Previous week	Same week last yr.
Cattle	$9.00	$8.75	$6.50
Hogs	9.50	9.40	9.00
Copper, lb.	.14	.14½	.09½
Cotton, lb.	.1341	.1385	.1161
Rubber, lb.	.2097	.2318	.1573
Sugar, raw, lb. ..	.0340	.0347	.0375
Silk, lb.	2.07	2.14	1.65
Wheat Man. (bu.)	1.30¾	1.27⅝	.77⅞
Coffee, lb.	.09¼	.09	.06¾
Hides	.15½	.15½	.10¼

Weekly Indices

	Latest week	Previous week	Same week last yr.
N. Y. Annalist	143.6	144.2	123.1
Fishers'	93.5	93.8	82.2
N. Y. Journal of Comm.	91.7	91.7	79.3
Crumps (Brit.)	82.3	83.4	68.2
U. S. Labor	87.9	88.3	79.5
Canada (D.B.S.)	85.8	86.0	72.3

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Mar.)	82.0	81.7	80.4
W'sale (Mar.)	85.5	82.9	72.4
United States (Apr.)	144.4	143.5	123.8
Gt. Brit. (Feb.)	91.0	90.1	80.3

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1929 = 100 base. U. S. is Annalist 1913 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price. Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15, New York: Sugar—96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North Ft. W.-Pt. A. Basis: Hides—No. 1 packer light native cows: Hogs—select bacons, Toronto.

92 DICTATORS
8 PRESIDENTS
2 J-5 COUPE-EXPRESS
1 TRUCK
103
Happy Birthday!

STUDEBAKER DRIVEAWAY

Following the recent conference of Studebaker dealers and salesmen at Windsor, a special "driveaway" of over 100 cars was arranged. The ceremony was attended by Paul G. Hoffman, president of the Studebaker Export Corp., whose headquarters are at South Bend, Indiana.

Above are shown the batch of cars ready to leave and the presentation of the wholesale order by M. S. Booke, vice-president and general manager, Studebaker Corp. of Canada, to Mr. Hoffman. The transaction coincided with the latter's birthday.

Higher Prices Help Bakers

Increase Not Sufficient to Offset Cost Rise, Companies Report

The price of a standard 24-ounce loaf of bread has been raised from 10 to 11 cents in Toronto. Among the companies affected are Canada Bread, Consolidated Bakeries, Geo. Weston, Ltd., and Barker's Bread, Ltd.

The increase in price does not offset in full the rise in costs of materials in recent months, it is stated on behalf of baking firms. It is conceded, however, to offer some relief from the inroads of rising costs on earnings.

The official announcement of the rise in price through the Canadian Bakers' Association estimated the rise in costs of ingredients from 4.22 cents a loaf including wrapper in September, 1934, to 6 cents a loaf at present.

Higher wheat prices in recent months have been followed by a rise in first quality flour to $7.50 a barrel from approximately $5.30 a barrel a year ago. Shortening and other materials have advanced similarly and such higher costs in recent months have tended to restrict bakers' profits.

In western Canadian cities and in other Ontario points, the price of bread was raised several months ago.

Background of Business

Chamber of Commerce Annual

The annual convention of the Canadian Chamber of Commerce will be held in Vancouver this year from Sept. 7 to 10 inclusive. In connection will be a tour commencing at Montreal to Vancouver and return. Stopovers will be made at Toronto, Fort William, Winnipeg, Regina, Calgary, Banff, Lake Louise, and Field on the way out which will be over the C.P.R. railway.

The party will return via Canadian National, stopping at Kamloops, Jasper, Edmonton and Saskatoon. From Montreal total cost ranges from $380 to slightly over $500 depending upon the type of railway sleeping accommodation demanded. Charges from points nearer to Vancouver are correspondingly less.

The annual convention coincides with the 50th anniversary of the formation of the Vancouver Board of Trade.

* * *

Atlantic Air Service

Although forecasts are unofficial, there is increasing evidence that regular air service across the Atlantic will come into existence within a year or 18 months. There will be no element of adventure when the service is inaugurated, however, since exhaustive tests are being made to overcome every possibility of chance and with a view to reducing the service to a prosaic basis of schedules comparable with those of commercial land flights. Passengers may not be carried on initial commercial flights but trained crews and flying boats worth around $200,000 each will not be risked lightly even in the experimental stages of the service.

The goals toward which commercial airways' interests are striving at the moment are; aircraft capable of making a non-stop flight of 1,900 miles against headwinds of 40 miles an hour; aircraft able to ride the heavy seas of the Atlantic in event of a forced landing; unquestionable information concerning weather conditions en route; aids to navigation ensuring against an airplane travelling so far off its course that it could not reach port with the fuel at its disposal; staffs highly skilled in operation of the particular type of aircraft chosen for the Atlantic service, and finally, co-operation of all countries concerned in exploitation of the route.

By Air to Yukon

Link in the projected all-British world air route, Edmonton last week became the terminus for a Canadian and international air line to the Yukon and Alaska, with the signing of a contract for a weekly air mail and passenger service from Edmonton to Whitehorse. The service will open about July 5 and will be operated by United Air Transport Co.

The route will traverse Fort Nelson, through the Liard Pass where an altitude of no more than 4,000 feet is necessary at any point. The effect of the service will be to bring Alaska and the Yukon within a day's journey of Chicago and connect these northern areas with the rest of Canada for the first time by commercial air transport. Distance to Whitehorse from Edmonton by air is 1,100 miles and radio stations will form connecting links at Fort Nelson and at Lower Post 225 miles east of Whitehorse. Tri-motored Ford airplane equipment will make the trip in 11 hours.

* * *

Absurd Jam Costs

First case under section 498-A of the Criminal Code designed to restrict cut-throat selling seems to have fared very poorly. J. A. Daboll & Son are reported by Canadian Grocer as accused of selling jam at a price designed to destroy competition. Judge Daniel O'Connell was not impressed. In throwing out the case he remarked that the overhead as computed by the plaintiff was absurd. The defendant gave his overhead at slightly under 60 cents per 100 lb. of jam whereas witnesses for the crown stated that their overhead was $2 for the same amount.

In the last few years any legislation that has tended to rigidly fix prices has almost invariably been found impracticable when tested legally and that in regard to jam, particularly so.

* * *

Higher Paint

As recently predicted paint prices have advanced 30 cents per gallon in eastern Canada and 25 cents in the West on first grades. This brings the price of first-grade paint to $3.25 per gallon as compared with $2.95 in effect since July, 1936. These are manufacturers prices. They compare with the peak price of $5.30 per gallon in July, 1920 from which date values declined more or less consistently to a low of $2.80 per gallon in Sept., 1935. Current paint sales point to record volume throughout the Dominion this spring.

* * *

Miracle in Sugar

The World Sugar Conference just adjourned in London, England, announces objectives of a really miraculous nature. An agreement has been drawn up designed to stabilize the international sugar market which it is hoped will "raise prices slightly to a point conference experts believe will benefit producers without penalizing consumers." Just who is going to pay the difference without penalty has not been disclosed.

Allocations of production for different countries were kept secret, but the conference plans to record the agreement with the League of Nations. A committee has been set up to study means of increasing world consumption and a central clearing group established to coordinate operation of the agreement. Apparently sugar production throughout the world, boosted by government sugar beet bonuses, has been growing faster than consumption.

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Each $1,000 note is convertible into 20 class "A" shares. Earnings available for note interest after all charges, were $314,984 for 1936 or at the rate of 3.93 times note interest requirements. Note interest was covered 3.68 times in 1935.

Full information upon request.

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IS IT
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Our May Investment Letter discusses whether recently rising prices and a larger money supply indicate the presence of inflation. A copy will be furnished on request.

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In The Construction World

At the moment when Canadian construction activity is beginning to feel a seasonal stimulus and building contract awards are rising substantially, a disturbing note is sounded in reports concerning the building outlook in the U.S.

Distinctly reactionary tendencies appeared in U.S. building activity during March, it is revealed in the business volume compilation of Dr. Lewis H. Haney, professor of economics at New York University, and these tendencies were caused in large part by rising costs of labor and materials, particularly the former. Other factors are the tax on undistributed earnings, which has hurt construction, and reduction of Government spending on public works.

The significance to Canada of the sudden decline in U.S. building operations is that it is taking place at a time when labor and material costs are rising and artificially stimulated building at Government expense is lessening.

Canada is still passing through the transition period from heavy Federal Government expense on construction to private building enterprise and there is food for thought in what is happening across the border. Too rapidly rising costs of construction at a time when the support of Government building programmes has been withdrawn could conceivably retard the building recovery in Canada as it has done already in the United States.

* * *

Price Rise Checked

Although they have not by any means ceased, fears of a further rise in costs of building materials in the United States were relieved to some extent by the steadier tendency in average prices during April.

The vigorous advance in the first quarter of this year carried prices to a point where further increases might have jeopardized confidence in trade circles but the movement appears to have levelled off with quotations for most materials at a little over 10% above the base year of 1926, according to month-end indices published by the McGill Commodity Service.

Indications, nevertheless, are that the fundamental trend continues upward, although paint materials in the United States were among building items to show individual declines in April. The reason was a decline in prices of turpentine and vegetable oils.

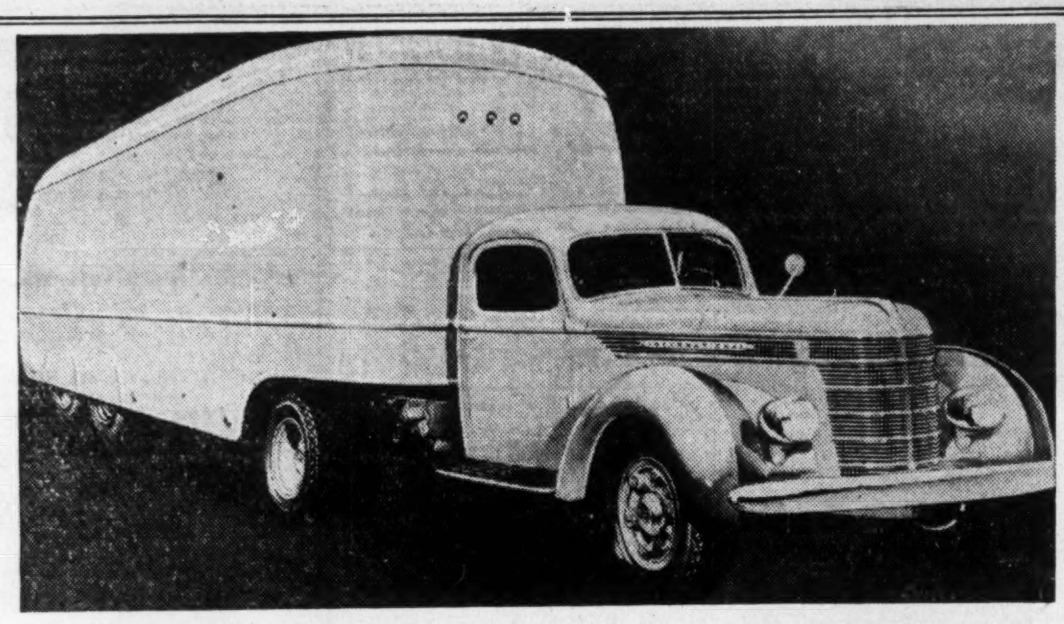
* * *

Floods Mean H.I.P. Loans

Western Ontario areas and more particularly those in the vicinity of London are likely to increase Ontario totals for Home Improvement Plan loans substantially during the next few weeks.

Disastrous floods sweeping through the London, Chatham and Woodstock sections of the province caused tremendous damage to houses, in some cases undermining foundations to a point necessitating the demolition of the structure for safety reasons. Inside other dwellings the damage to walls, plaster, floors and interior decorations will mean complete redecoration in hundreds of cases.

Since much of the damage was in homes of families whose resources were not sufficiently large to provide funds for such an emergency, bank officials, construction circles and home furnishing concerns anticipate a new rush of applications for both personal and Home Improvement loans for needed repairs and new furnishings. Stories of household furnishings, partly paid for, and swept away in the floods are not uncommon in western Ontario. In these cases householders not only seek personal bank loans to meet unpaid installment balances and to buy new household goods, but may also need H.I.P. loans as well.



SMART LINES FOR NEW INTERNATIONALS

Streamlined hood and cowl, creased fenders and sleek lines generally, all constituting a distinct advertising asset to the user, feature the exteriors of the new line of International Harvester trucks this season. Under the hood is claimed more power and greater economy in consumption of gasoline and oil. The all steel cab has a one-piece ventilating windshield. Above is shown model D-50 with trailer especially designed for long distance general hauling. In the 1937 series there are 26 models, ranging from half-ton units to the biggest six-wheeler with a gross vehicle rating of 62,000 pounds.

Skilled Labor May Be Scarce

Acute Shortage Feared in Hamilton Building Trades

Engaged in the largest industrial expansion in its history, Hamilton, Ont., is facing the possibility of an acute shortage of skilled labor in the construction trades at a time when a further $3 millions of building is in prospect for early summer months. Estimates by executives in Hamilton place the total expenditure on Hamilton's industrial expansion at between $7 millions and $10 millions this year, but skilled mechanics in various building trades are becoming difficult to secure.

A number of major factory additions and expansions have been completed in recent months. Projected work includes a new blooming mill plant at the Steel Company of Canada's works, to cost around $1 million and it is expected that National Steel Car will build a new finishing works to cost around $250,000. In addition, the new Steel of Canada office building at $237,000 and a new wire mill at $84,000 are scheduled for early construction as well as Dominion Glass Company's $125,000 "batching" plant. A further addition is being made to Dominion Foundries and Steel's recently enlarged plant, at a cost of $150,000.

Hospital Addition

Additions are also planned for the Ontario Hospital at Hamilton on which the Provincial Government will spend about $500,000, although original plans called for only $300,000, and federal public works will add about $390,000 to the total. Among a number of industrial projects are those costing $20,000 at the Procter and Gamble plant and the $75,000 new building planned by United-Carr Fastener.

Company Reports

Fraser Cos.

Fraser Companies Ltd. reports consolidated revenue of $635,468 for the first quarter of 1937. After setting up $239,450 for depletion and depreciation and providing for interest charges, there was a net profit for the three months, before providing for Dominion income tax, of $167,840. Comparative figures for 1936 are not available, but the company reports the net results for the three months exceeded those of the preceding 12 months by 46%. After Dominion income tax, net income for the full year 1936 was $94,974, equal to 27 cents a share on the common stock.

CONSOLIDATED INCOME ACCOUNT
3 Months Ended March, 1937
(Subject to Adjustment on Audit)

Earnings after operating expenses, taxes, etc.	$635,468
Deduct: Bank, other interest	7,269
Special loan interest	25,540
Bond interest	185,468
Deferred bond int. — Restigouche Co.	9,900
	407,291
Depletion and depreciation	239,451
Net income (before Dominion income tax)	167,840

National Light

National Light and Power Co., Moose Jaw, reports a decrease in profits in the first quarter of 1937, operating earnings being lower while expenses were higher. The reduction in revenue reflects a cut in power rates put into effect in June, 1936. Power output for the quarter was higher than in the corresponding period of 1936.

Comparative figures are given below:

Quarterly Earnings
Three Months Ended Mar. 31

	1937	1936
	$	$
Oper. earnings	133,478	135,969
Less: Oper. exps.	59,009	58,421
Net oper. revenue	74,469	77,548
Add: Misc. income	255	57
Net earnings	74,724	77,605
Less: Depreciation	20,067	17,676
Bond interest	31,013	31,013
Net profit*	23,644	28,916

*Before allowance for income tax.

Times Bond Interest Earned:		
Before deprec.	2.41	2.50
After deprec.	1.76	1.93
Output in kw.h.	5,739,891	5,535,560

Anglin-Norcross

Anglin-Norcross Corp. reports a consolidated net profit in the year ended Feb. 28, 1937, of $12,746, as against $19,939 the year before. There was a loss on completed contracts of $15,094 after providing $28,889 for depreciation.

Consolidated balance sheet shows a gain of net working capital of about $54,000 during the year. The principal change among the assets is an increase in accounts receivable of $115,626 to $363,680. This is offset in part, by an increase in accounts and bills payable from $57,289 to $257,994. There is no change in the capital stock.

Income and Surplus Account
Years Ended Feb. 28

	1937	1936
Gross revenue	$ 39,469	$ 29,664
Less: Directors fees	3,250	3,025
Exec. salaries	17,400	....
Legal fees	373	....
Income tax	5,700	6,700
Surplus	12,746	19,939
Previous surplus	155,735	135,797
Surplus forward	168,481	155,736
Working Capital		
Current assets	$1,102,845	$850,085
Current liabilities	263,942	65,614
Working capital	838,903	784,471

Canadian Utilities

Canadian Utilities Ltd., subsidiary of Dominion Gas and Electric Co. reports improvement in operations in 1936, bond and other interest being earned 2.17 times before depreciation and 1.63 times after depreciation.

Income and surplus account for 1936 and 1935 are not entirely comparable since in 1935 Canadian Utilities operated the properties of Union Power Co. only [illegible] the last four months of the [illegible]. If operations had been consolidated for the entire 12 months of 1935 then operating profit after depreciation would have been $297,791. Operating profit after depreciation in 1936 amounted to $330,774.

Power sales increased from 18,585,514 kw.h. in 1935 to 20,263,936 kw.h. in 1936. Customers served increased from 15,315 to 15,708.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Power sales	1,109,024	*844,428
Less: Oper. exps.	667,348	537,463
Net oper. income	441,676	306,965
Add: Misc. income	733	20,828
Net earnings	442,409	327,793
Less: Deprec.	110,902	69,080
Int. on deb. liabs. assumed	8,468	9,184
Bond interest	127,729	147,000
Other interest	67,307	72,592
State taxes on bond int. & exchange premium	696	†361
W/o bd. disc., exps. of refinan. & acquis. of Union Power in 1935	3,110	600
Investig. of props. not acquired	1,678	......
Net profit	122,519	28,976
Less: Pref. divds.	42,000	10,500
Common divds.	68,040	......
Surplus for year	12,479	18,476
Add: Prev. surplus	40,081	§383,325
Def. at Aug. 31, 1935, trans. to cap. surp.	......	415,051
Less: Adj. applic. to pr. yrs.	992	3,196
Losses on props. sold	......	6,925
	51,568	40,081

*This figure includes revenue derived from properties formerly owned by Union Power Co. during the last four months of the year only. If Union Power revenue for the entire year was included then power sales would be $1,051,914.

†Exchange premium only. §Deficit.

Working Capital

	1936	1935
	$	$
Current assets	333,750	367,015
Current liabilities	168,829	189,126
Working capital	164,921	177,889

Quinte & Trent Power

Quinte and Trent Valley Power Co. reports that revenues in 1936 were sufficient to take care of all operating expenses exclusive of depreciation. While operating loss is shown as $2,190 the sum of $2,500 is included in operating expenses as depreciation on the plant of Toronto Paperboard Co. Ltd.

Accrued interest on the company's bonds now amounts to $265,122 and there are arrears of dividends of $165,515 on the preferred stock.

Negotiations are proceeding looking to the sale in parcels of all properties of the company. All offers will be submitted to the bondholders' committee for approval.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Gross revenue	14,040	13,477
Less: Oper. exps.	11,375	10,012
Toronto Paperboard Co. exps.	4,855	4,857
Loss from operations	2,190	1,392
Add: Depreciation	7,500	7,500
Bond interest	40,788	40,788
Deficit	50,478	49,680
Add: Previous deficit	177,208	127,528
Deficit forward	227,686	177,208
Working Capital		
	$	$
Current assets	9,614	9,726
Current liabilities	4,534	17,665
Working	5,080	*7,939

*Excess of current liabilities over current assets.

Telephone Securities

Telephone Securities Ltd., wholly-owned subsidiary of Anglo-Canadian Telephone Co., and holding a controlling interest in Telephone Investments Corp., which in turn holds practically all the capital stock of the Philippine Long Distance Telephone Co., reports a total income of $126,586 for the period from March 31 to Dec. 31, 1936. After payment of expenses, taxes, and interest on notes, there was a net income for the period of $54,885, from which dividends of $46,080 were paid. This is the first report issued by the company, so that comparative figures are not available.

The balance sheet as at the end of 1936 shows total assets of over $3.1 millions. Capital stock outstanding totals $1.6 million and five-year notes $1.5 million. Investments are carried on the books at about $3.1 millions and cash in bank at $73,683.

Income and Surplus Account
March 31 to Dec. 31, 1936

	$
Income	126,586
Less: Directors' fees, etc.	2,556
Taxes	10,707
Note interest	58,438
Net revenue	54,885
Less: Organ. expenses	3,617
Add: Adjustments	3,574
Less: Dividends	46,080
Surplus forward	8,763

Paramount Pictures Inc.

Paramount Pictures Inc., in which many Canadian investors obtained an interest through exchange of shares of Famous Players Canadian Corp., reports net profits for 1936 equivalent to $18.51 a share on the first preferred stock compared with $12.61 a share in 1935. After allowing for first preferred dividends, earnings amount to $4.08 a share on the second preferred shares of $10 each, against $2.57 a share in 1935. Earnings on the common are $1.18 a share compared with 79 cents a share in 1935.

All arrears of dividends on first and second preferred have now been paid.

Barney Balaban, president, comments in the annual report that the corporate structure has been simplified by consolidation of departments and elimination of approximately 100 corporations. He points out that in the company's accounts $2 millions of special inventory reserve of $2.5 millions established from 1935 profits is taken into 1936 earnings. In the comparison below, these items are entered in surplus account. Excluded from 1936 earnings is $331,000 representing Paramount's interest as a stockholder in combined undistributed earnings for 1936 of partially owned firms.

Reduction of some $5.3 millions in working capital is accounted for by net increase of some $3.1 millions in investments in fixed properties and reduction of about $3.7 millions in funded debt. Inventories of released and unreleased films, productions in process and stories, make up $17.3 millions of the current assets.

Holders of $12.5 millions of 6% debentures have exchanged them for 3¼% convertible debentures, and Mr. Balaban reports that the major part of indebtedness now bears rates of 3% to 4½%.

Income and Surplus Account
Years Ended Dec. 31

	Jan. 2 1937	Dec. 28 1935
	$	$
Theatre receipts, film rentals etc.	102,820,647	90,581,006
Divs. from affil. cos.	2,760,728	1,017,528
Other income	1,765,741	1,676,321
Total income	107,347,116	93,274,855
Less: Theatre exps.	45,037,177	37,891,991
Film distribution	16,871,973	16,737,200
Amortiz. of films	34,461,296	28,487,784
Operating profit	10,976,670	10,157,880
Add: Capital gains	331,820	......
Less: Depreciation	3,025,346	3,048,550
Int. on old bk. debt	......	113,328
Int. on subsid. debt	1,274,850	1,458,439
Int. on debentures	1,470,566	1,576,600
Federal inc. taxes	692,027	481,322
Subsid. pref. divs.	202,138	258,209
Minority profits	122,044	68,264
Res. from conting.	632,500	......
Net profit	3,889,019	3,153,167
Less: 1st pfd. divs.	*2,987,604	......
2nd pref. divs.	†386,278	......
Surplus for year	515,137	3,153,167
Add: Previous surplus	653,167	......
Tr. from invest. res.	2,000,000	......
Prof. on purch. of debents.	123,231	......
Less: Res. on inventory	......	2,500,000
Surplus forward	3,291,535	653,167

*Representing dividends for 1935 and 1936. †Representing dividends for 1935; dividend for 1936 paid April 1, 1937.

Working Capital

Current assets	32,441,957	38,045,010
Current liabilities	9,501,548	9,782,464
Net working capital	22,940,409	28,262,546

New Highway Projects Increase Building Total

Canadian Construction Awards Jump to $24.4 Millions in April — Increase of $14.6 Millions Over Last Year

Contracts for $9.2 millions of highway construction and improvements accounted for much of the increase in Canadian construction contracts awarded during April. Highway awards were only $64,100 in March but contracts let by Ontario and New Brunswick for highway construction alone totalled $8.6 millions last month. Total awards for all types of construction jumped from $16 millions in March to $24.4 millions in April, according to MacLean Building Reports Ltd. In April, 1936, the total was $9.8 millions.

Other construction classifications to show increases last month were residential building with a rise from $3.7 millions to $6.4 millions but the most impressive gain was in engineering which advanced from $5.5 millions in March to $10.4 millions in April. Contracts awarded in the residential group reflected the normal spring expansion in this type of construction and engineering awards indicate a similar seasonal rise.

Classifications to show declines included bridges, for which contract awards in April amounted to only $79,000 against $2.5 millions in March. Office building construction awards also dropped sharply from $1.4 million in March to $282,500 last month.

Comparative figures follow:

Construction Contracts Awarded in Canada, April, 1937

	April, 1937		March, 1937		April, 1936	
	No.	$ Value	No.	$ Value	No.	$ Value
Apartments	42	689,300	25	556,800	7	339,500
Residences	2,002	5,746,000	1,054	3,158,600	1,038	3,363,800
Total residential	2,044	6,435,300	1,079	3,715,400	1,045	3,703,300
Churches	30	196,700	23	213,500	13	119,300
Public garages	83	374,800	49	236,000	77	276,700
Hospitals	7	148,600	11	578,200	6	126,200
Hotels, clubs	55	672,300	34	179,200	32	188,000
Office bldgs.	41	282,500	52	1,400,900	32	620,300
Public bldgs.	49	435,800	25	150,800	32	278,400
Schools	30	565,900	28	231,600	60	152,600
Stores	250	680,800	180	1,120,000	197	650,100
Theatres	18	243,700	4	111,000	12	176,500
Warehouses	67	972,200	61	468,800	48	249,700
Total business	630	4,573,300	467	4,690,800	509	2,839,800
Total industrial	109	2,950,700	69	2,093,300	60	627,700
Bridges	10	79,000	4	2,516,000	4	15,000
Dams, wharves	4	59,700	5	33,500	6	49,300
Sewers, watermains	8	115,400	9	386,600	15	170,600
Roads, streets	72	9,245,000	8	64,100	12	87,300
General engineering	48	968,200	50	2,558,400	20	2,322,100
Total engineering	142	10,467,300	76	5,558,600	57	2,644,300
Grand total	2,925	24,426,600	1,691	16,058,100	1,671	9,815,100

Contracts Awarded

	No.	$ Value
4 months, 1937	7,144	55,835,700
4 months, 1936	4,151	41,942,300
4 months, 1935	4,988	40,770,700
4 months, 1934	3,718	31,324,700

Contemplated Construction

	No.	$ Value
4 months, 1937	11,027	173,172,700
4 months, 1936	6,736	90,868,500
April, 1937	3,840	38,434,600
March, 1937	2,631	52,778,500

Metal Industries Profits Increase

Plans For Liquidation of Preferred Arrears Discussed

Directors of International Metal Industries have not been able as yet to devise an equitable plan for liquidation of arrears of dividends on the company's preference stock, which now amount to $30.75 a share, A. L. Ellsworth, president, told the annual meeting of shareholders on April 30.

Directors are hopeful, however, of devising a plan before the end of the present year. While consideration will first be given to building up the company's working capital position it is possible that dividends will be resumed before such a plan is brought down, Mr. Ellsworth stated.

Commenting upon the outlook for 1937, W. E. Maun, vice-president and general manager, stated that the management expects 1937 profits to be substantially higher than in 1936, when net profit amounted to $351,365.

Despite the very marked improvement in the company's business in 1936, the upward trend has continued into 1937, sales exceeding expectations. Costs for labor and materials have increased sharply, but these were offset by higher selling prices and increased volume.

D. M. Ramsay, Chicago, Ill., has been elected to the vacancy on the board of directors.

Burns Co. Director

H. R. Milner was elected a director of Burns & Co., Calgary, at the recent annual meeting, filling the vacancy on the board created by the death of Senator Patrick Burns.

Gotfredson 6½% Bonds Get 5% of Principal

A second installment of 5% of principal of the 6½% first mortgage bonds of Gotfredson Corp. is being distributed by National Trust Co., Toronto, receiver and manager. Payment was available on May 1.

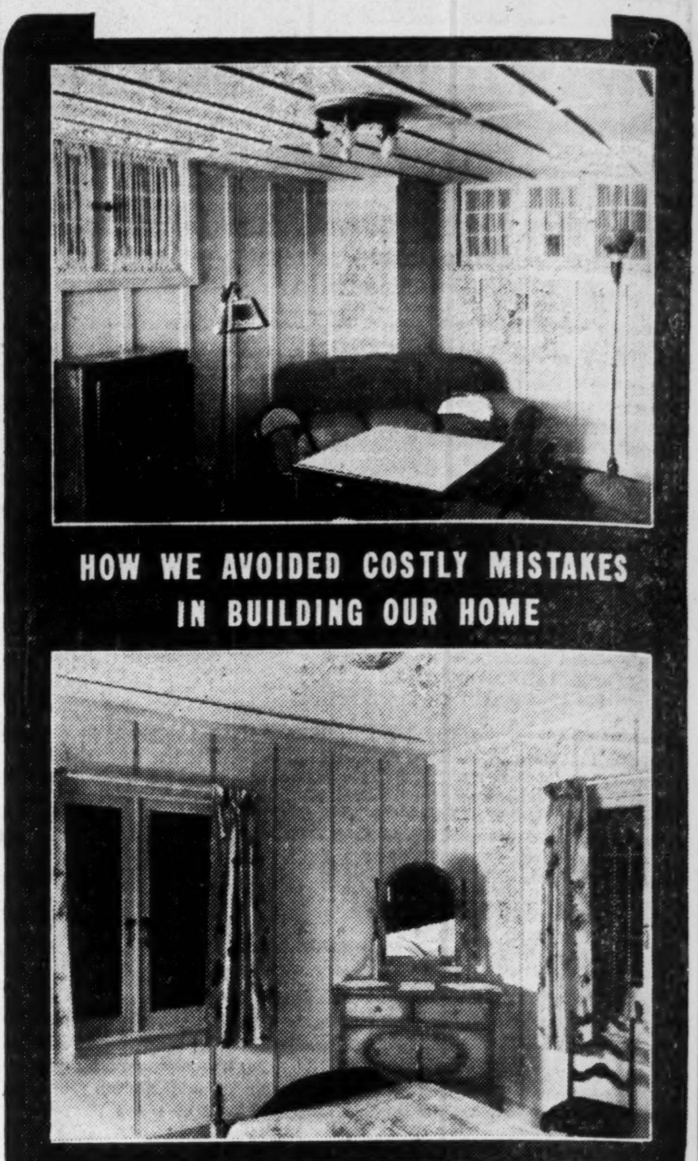
Bonds must be presented to the National Trust Co. to be endorsed for the payment, three days' deposit being required for examination and stamping.

The receiver's statement shows liquid assets of $93,930, which is $85,362 in excess of current liabilities. The summary of operations under receivership from Feb. 19, 1929, to Dec. 31, 1936, shows total receipts of $618,876 and disbursements of $547,443 leaving a balance of cash on hand of $71,443.

The remaining properties are plants at Walkerville, Toronto, and Cleveland. National Trust Co. reports improvement in the Cleveland property. While the building is not fully rented, it is producing substantial revenue and with additional leases will be self-sustaining.

Theatre Interior Design Wins Bronze Medal Award

Award of the bronze medal for the design of a Toronto theatre interior, looking toward the stage, was made to the Toronto architectural firm of Kaplan and Sprachman, members of the Ontario Association of Architects, among other awards at the recent architectural exhibition in Toronto. The Financial Post published a photograph of the theatre block exterior with a reference to the Kaplan and Sprachman award.



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Walker-G. & W.

What are the prospects for increased dividends on the common stock of Hiram Walker-Gooderham & Worts?

Hiram Walker-Gooderham & Worts paid the initial quarterly dividend of 50 cents a share on its common stock on Mar. 16, 1936. This established the annual rate of $2 a share. So far there have not been indications of intention to increase this rate of payment. The company's earnings amounting to $4.59 a share on the common for the six months ended Feb. 28, 1937, cover the current dividend by a wide margin. It is quite possible that the company will wait until more of its 4¼% convertible debentures are redeemed before increasing the common dividend. After June 1, 1937, this issue will be reduced below $4 millions as compared with $8 millions issued early in 1936. It appears that the greatest need for funds in the U. S. expansion programme has now passed and that in future it will be more a question of consolidating the company's position and realizing on the expenditures made. Earnings are hardly expected to show the same rate of growth over the next few years that has been seen since 1933 but, in view of the wide margin above present common dividend requirements and the strong working capital position, the company could increase the rate if earnings continue around present levels.

St. Lawrence Paper

Kindly let me have some information on the St. Lawrence Paper Mills preferred stock. Does the rapid rise in value indicate a resumption of dividends?

St. Lawrence Paper Mills' position has undergone improvement, as also have the other companies operating at or near capacity, while the price of newsprint is higher than it has been for some time past. Moreover, there is scheduled a $7.50 a ton price increase for the first half of 1938. All of this has greatly improved the outlook for the company, with the result that there has been a substantial market rise in the value of the preferred stock. However, as regards the preferred, it should be borne in mind that these prospective earnings will not accrue to the company until next year and, further, while the dividend may be earned, it is not likely that the company will take any action to make payment. The arrears of dividends are substantial and it is likely that the company will carry out a recapitalization before any distribution of earnings is made to the shareholders.

Stobie-Forlong Debentures

Are there prospects of further payments being made to holders of Stobie-Forlong debentures?

Stobie-Forlong Assets was formed to handle the remaining assets of the former Toronto stock brokerage firm of Stobie-Forlong & Co. The debentures were issued to ordinary creditors whose claims had been proved and filed. Total claims have been filed against the estate of approximately $4 millions to date and there are prospects of additional claims being filed which may bring the total to around $5 millions. The estate consists almost entirely of stocks and bonds, many of which are extremely speculative. Liquidation is proceeding slowly and so far a little over 11 cents of the dollar has been paid to debenture holders. This, of course, must be regarded as a return of capital and not income. While it is difficult to estimate the probable further return that will be made we understand that an additional 10% is a fair estimate of what debenture holders may expect. This will depend to a large extent on the amount of additional claims that are proved.

Calgary Power

Please let me have your comment on the position of Calgary Power Co. I hold some of the preferred shares.

Calgary Power Co.'s position has been improved as a result of the contract made between the Ottawa Valley Power Co. and Ontario Hydro. Calgary Power controls the former. The company's financial statement for last year showed the dividend on the preferred stock earned. While there was not sufficient surplus to warrant a dividend on the common stock, as far as the preferred is concerned, the company is well able to meet the dividend obligation.

Agnew-Surpass

Do the preferred and common stocks of Agnew-Surpass Shoe Stores appear likely to give a fair return with prospects for appreciation? Is the preferred convertible?

Agnew-Surpass Shoe Stores, Ltd., earned $12.15 a share on its 7% preferred stock and 63 cents a share on its common in the year ended May 31, 1936. Results for the year ending May 31, 1937, are not likely to be much different than for the preceding year, it is understood. Sales through the company's stores may not have been quite as good, but final results, depending to a certain extent on inventory valuation at the end of the year, are expected to be about the same. The company has shown a stable record of earnings throughout the past few years and the $7 dividend on the preferred shares has been paid regularly in each year since issue in 1928. The preferred stock is selling around $106 a share and at this price yields 6.6%. As this stock is callable at $110, it is not likely to appreciate very much in value. The preferred is convertible into common at the rate of three common shares for each preferred share. As the common is selling around $10 a share, the conversion privilege has no particular attraction at present. Dividends were initiated on the common in March, 1934, and for the last fiscal year regular payments of 40 cents a share were made plus a bonus of 20 cents. Dividend payments on the common have been approximately equal to earnings available in each year since 1934.

Shawinigan

Will you please let me know if the outlook for Shawinigan Water and Power Co. has shown any improvement.

Shawinigan Water and Power Co. is in a sound position, both as regards operations and earnings. The interim financial statement for the first quarter of 1937 shows a large gain in net earnings. Prospects now are that the company will be able to show higher earnings than in 1935 when the dividend of 80 cents was covered by a comfortable margin. There is also the prospect that before the end of the year the directors will take steps to increase the dividend.

Huron & Erie

Is the Huron & Erie Mortgage Corp. likely to be able to continue paying the present dividend of $5 a share?

Huron & Erie Mortgage Corp., London, Ont., earned $6.09 a share on its common stock in 1936 out of which dividends of $5 a share were paid. In 1935 the company reported earnings of $6.05 a share and paid dividends of $6. We understand that the company's position has improved in the first quarter of 1937 as compared with the corresponding period of 1936. Collections of rentals and sales of real estate have shown a better tendency. Demand for new mortgages, however, continues unsatisfactory but it is probable that 1937 earnings will be somewhat better than in 1936. Under the circumstances the $5 dividend is likely to continue.

Winnipeg Electric

Can you let me know when Winnipeg Electric Co. is likely to declare a dividend on its new preferred stock?

On the question of the likelihood of the company paying dividends on its preferred stock we would point out that under the terms of the recapitalization, the company has outstanding $1,921,234 of contingent certificates. While no interest is payable on these certificates, the company cannot pay any dividends on its capital stock as long as the certificates are outstanding.

Soo Line

How long does the C. P. R. have to continue its guarantee of interest on the Minneapolis, St. Paul and Sault Ste. Marie 4% bonds, which mature in 1938?

We cannot give you an authoritative opinion on the position of the Minneapolis, St. Paul and Sault Ste. Marie 4% bonds when they mature in 1938. The interest on these bonds is guaranteed unconditionally by the Canadian Pacific Railway. There is a difference of opinion as to what will happen after the bonds mature and the Soo line is not in a position to pay off the principal. One group maintains that the interest guarantee remains in effect as long as the principal of the bonds is outstanding. On the other hand, Sir Edward Beatty has officially stated that the interest guarantee lapses with maturity of the bonds.

Quebec Pulp

I have held some of the preferred stock of Quebec Pulp and Paper for a number of years. I have not seen any information regarding this enterprise, and would like to know just what is its present position.

Quebec Pulp and Paper Corp. has not operated since 1930 because of the poor market for groundwood pulp. The management has confined its efforts to keeping the property in good shape and conserving liquid resources, which, at the end of 1936 were fairly substantial.

Renewal of production by the company is under consideration in keeping with the Quebec Government's wishes, while the better outlook for the wood pulp industry is an additional factor contributing to the likelihood of renewed operations.

Some revision of the capital structure is a possibility. This was mentioned in the president's report of 1933, but nothing was done at that time, as one of the controlling firms, Price Bros. and Co., was in bankruptcy. Now that Price Bros. is out of bankruptcy, it is likely that the management will go ahead with steps to put the company in a sounder capital position.

Federal Grain

Is the Federal Grain Co. earning interest on its bonds and by how much? When are the bonds callable and at what price? Please let me hear any other information which might be of interest as I am considering buying one of the bonds.

Federal Grain Co. has recorded a steady improvement in working capital position since 1930, an excess of current liabilities over current assets of $151,053 being converted into a net working capital of about $1.5 million in 1936. Earning power, on the other hand, has not shown a similar improvement. For the year ended July 31, 1936, net revenue available for depreciation and bond interest amounted to $665,741. During the last three years the company has earned its bond interest a little over three times before depreciation, while after depreciation interest was just earned.

The first mortgage bonds are callable at 104 up to August, 1939; 103 for the next five years. There is an annual cumulative sinking fund of 2% plus interest on bonds previously redeemed. This sinking fund has been maintained to date.

King Edward Hotel

Is there any prospect of interest payments on the 7% refunding mortgage bonds of King Edward Hotel Co.?

There is no immediate prospect of any interest payment on the 7% refunding mortgage bonds of King Edward Hotel Co., Toronto. The Metropolitan Life Insurance Co., New York, held a mortgage on the building and foreclosed in 1935. The trustee for holders of the refunding mortgage bonds holds the furnishings and goodwill and operates the hotel under a lease arrangement with the Metropolitan Life. Negotiations are understood to be under way which may lead to a reorganization of the company but it is clear that holders of the 7% refunding mortgage bonds will have to take a considerable reduction in their principal.

Plans so far considered are understood to provide for about a 75% reduction. It has been estimated that a minimum of $400,000 will have to be raised for renovation of the hotel to place it in first-class condition. Any reorganization plan will have to make provision for raising a substantial amount of new capital which might have to be done by increasing the first mortgage charges ahead of the refunding mortgage bonds.

Ontario Silknit

Can you give me any indication as to the present position of Ontario Silknit preferred and common stock?

It is expected that the annual report of Ontario Silknit Ltd. for 1936 will not show as favorable results as did that for 1935. Canadian operations were definitely less profitable in 1936 but in Australia and Great Britain better results were obtained. We are informed that 1937 operations in Canada have started on a more satisfactory scale than did 1936. At present, however, operations in the company's Toronto plant are hampered by labor troubles.

Maclaren

Will you please let me know something about Maclaren Power and Paper earnings?

Maclaren Power and Paper's operations are divided into two categories, namely, power and newsprint. There is no marked change in the power end of the business though it is anticipated that the parent company will probably take larger deliveries in view of increased activities in the newsprint mill. Prospects in the newsprint division are more promising than they have been for some time past and it is anticipated that earnings from this source will be larger during 1937 and particularly in 1938. However, there is no immediate prospect of a dividend on the stock. Combined earnings have been barely sufficient to cover interest charges.

The Woman Investor

A widow has invested most of her husband's estate in shares of a young Canadian gold mine. During his lifetime the husband had been moderately successful as a speculator in gold stocks and his widow has been influenced by this success to such an extent that she is willing to risk almost her entire capital in this one venture.

Successful mining speculation requires close attention, with adequate and reliable sources of information. Usually a businessman is better equipped to obtain this information and appraise its value than a woman. He should also be more familiar with business methods.

The chances of losing a portion, or even all, the capital invested in new gold mining enterprise are always great. In this case the widow is dependent on income from the estate for her living. She has no regular earnings to replace lost capital or provide living expenses. If one is successful in selecting a good investment of this nature, the reward will be great but the chances of loss are correspondingly great. In this case it does not appear that the investor is justified in taking the risk where a serious loss could not be repaired.

Lack of Diversity

Another principle of investment is also violated in this case. It is seldom advisable for the investor to have all capital in one investment and this is particularly true when the element of risk is intensified as in this example. Dividing available funds between several companies or investments means that a loss in one case will not be too great a proportion of the money being invested.

What has been said here does not apply only to mining stocks. Diversification will always mean minimizing the risk of serious loss and the woman investor who feels that she will be able to follow her husband's example should make certain that the circumstances are the same. She should consider her training, her experience and her sources of information, before deciding to follow an example, no matter how successful to its originator.

Major Bear Market AHEAD?
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B. C. Packers To Cut Waste

Reduction Plants Will Recover Material Formerly Wasted

British Columbia Packers Ltd. is undertaking an expansion plan for complete utilization of fish and reduction of waste.

As announced by President H. R. MacMillan, the expansion involves doubling the capacity of a plant at Namu near Queen Charlotte Sound, B.C. and acquisition of an idle reduction plant at Port Edward on the Skeena River. The Port Edward plant is to consume material that was formerly wasted at canneries in the Prince Rupert area.

Mr. MacMillan stated the plan means reduction of practically all waste and makes it possible for the company to convert into edible products every part of the fish passing through its canneries.

Recover 40% Waste

"In the past," he announced, "about 60% of the salmon has been utilized and 40% thrown into the sea. By the operation of reduction works near the scene of our canning activities, 100% of the salmon will be converted into commercial products in the form of meal or oil—all for human or animal consumption. Fertilizer will not be produced."

The new reduction operations are expected to increase the company's business. Apparently the reduction plants are being developed with the idea of improving earning power.

Power Corp. Companies Set Up Output Record

From Our Own Correspondent

MONTREAL. — Power Corp. of Canada's affiliated and subsidiary companies report an output of 205 million kw.h. during last March, compared with 191.7 million kw.h. for the same month in 1936. This represents the highest power output for any March in the history of the company and is an increase of 7% over last year's returns. The principal contributors to the improved showing were Canada Northern, B. C. Power and Winnipeg Electric. Comparative returns follow:

Vol. of Output	March	
	1937	1936
Southern Canada ..	18,887,110	18,919,110
Canada Northern .	54,226,463	49,313,402
East Kootenay	6,728,238	5,396,138
B. C. Power	49,380,875	46,734,992
Northern B. C	975,244	994,912
Winnipeg Electric .	74,864,300	70,311,700

An Opinion on C.P.R. Shares

In the Quarterly Review of Commerce of the University of Western Ontario, Gilbert R. Horne, M.A., makes an extensive analysis of the Canadian Pacific Railway Co. from the point of view of the ordinary shares. He concludes:

"In general, we must regard the common stock of the Canadian Pacific Railway Co. as speculative for the conservative investor. The heavy capitalization of the company, and the failure to charge off maintenance (that did not involve actual cash outlay) as an expense every year, lead us to believe that there will be no dividends, and but small earnings on this stock for some years in the future.

"The person who buys now receives no income, and must put his faith in the coming of a great recovery of world trade; and such an individual must have faith in the absorption of world agricultural surpluses finally providing Canada with a large market again. He must trust to the resumption of the 1912 to 1930 trends in the Canadian economy. When one observes the present tangled world political and economical conditions it is hard to question the view that the curve of growth in Canadian business, will, for the next five or ten years at least, show a much smaller increment of increase from year to year.

"The present price of the stock of the Canadian Pacific is based upon a discount of the future to such an extent that it should be considered primarily by the businessman who is not dependent on his income from investments for a livelihood, and who can afford to wait some years for a reasonable return on his outlay."

Canada Northern Power March Output Greater

From Our Own Correspondent

MONTREAL.—Canada Northern Power's output for March totalled 54.2 million kw.h., an increase of 10% over the output of March last year. This brought total production for the three months since Jan. 1 to 156.3 million kw.h., or 10.8 million kw.h. higher than the same three months of last year.

During March 98 new customers were added to the company's system, bringing the total as at March 31 last to 17,762, compared with a total of 15,881 at the end of March, 1936.

Canada Northern Power Corp. March:	1937 $	1936 $
Gross earnings	397,439	372,617
Oper. expenses	162,390	138,751
Net earnings	234,849	233,866
3 Mos. end. Mar. 31:		
Gross earnings	1,190,330	1,128,529
Oper exps.	482,516	422,225
Net earnings	707,814	706,304

Union Gas Directors May Air Differences

S. A. Morse, president of Union Gas Co., on behalf of all directors except Eugene Coste has sent a letter to shareholders to forestall action by Mr. Coste, in seeking the removal of one or more members of the directorate. No announcement as to what directors Mr. Eugene Coste is seeking to remove has been made.

In his letter Mr. Morse states that Mr. Coste is taking steps to have a special general meeting called and suggests that shareholders should not give any proxy until they have had a full opportunity of considering the situation.

Canadian Dredge Elects New Head

F. W. Grant, K.C., Midland, Ont., has been elected president of Canadian Dredge and Dock Co. Ltd. to succeed D. S. Pratt, who has been president and managing director for nine years. Mr. Pratt, who asked to be relieved of his duties as active head of the company, will continue to be identified with the company as a member of the executive committee and the board of directors.

A. M. German, Toronto, has been appointed general manager. All directors have been re-elected.

New Directors

From Our Own Correspondent

MONTREAL. — At the annual meeting of Canadian International Paper Co., W. N. Hurlbut and Chenier Picard were elected to the board to replace the late Hon. Smeaton White and Joseph H. Fortier.

N. B. Power Board Plans Extension of Rural System

From Our Own Correspondent

MONTREAL. — New Brunswick Electric Power Commission will start work this month on a $100,000 power line extension in Charlotte County. As projected, the extension will serve a possible 800 families and have 500 customers at the outset. It will be from Musquash to St. George with branch lines to Mace's Bay, Chance Harbor, Dipper Harbor, Beaver Harbor and L'Etang.

Purchase of the St. George distribution system has been negotiated by the Power Commission and power will be supplied from the Musquash plant by a 6,600-volt line.

I.C.C. Gives Fixed Rate On Donnacona Shipments

From Our Own Correspondent

MONTREAL.—United States' Interstate Commerce Commission has granted the Canadian National Railways and eight domestic carriers relief from the long- and short-haul provision of the Interstate Commerce Act on shipments of newsprint paper from Donnacona to Chicago. The authorization effective from May 1 to Nov. 30, 1937, specifies that the rates should not be lower than 31 cents for 100 pounds from Donnacona to Chicago, with higher rates to intermediate points.

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Communist Machine Is Openly Employed In C.I.O. Invasion

Red Organization Used to Stir Up Strikers at Oshawa — Leaders Active in Organizing Canadian Workers

Demonstrated Communist influence in the C.I.O. campaign in the United States appears to be paralleled in Canada.

As suspected and charged at the outset of the C.I.O. drive into Canada, the connection of Communists with the mobilization of mass production workers goes beyond the limit of endorsation and public avowals of support. It has taken the form of active assistance to and participation in activities arising from the C.I.O. attempt to bring Canadian unorganized workers under its sway.

Open and specific evidence supporting this belief was provided when General Motors workers in Oshawa struck in an unsuccessful attempt to make the company deal with the C.I.O. and its auto union. Until then, indications of Communist support of the C.I.O. bid for power, consisted chiefly of the vigorous declarations in the "Daily Clarion," Toronto-published Communist-Labor newspaper.

Indication that the Red activity centred on the Oshawa crisis was not an isolated manifestation, but part of a general plan of C.I.O.-Communist collaboration, has been afforded by the strike of textile workers called last week at the Toronto plant of Ontario Silknit, Ltd. The strike was staged by employees enrolled in the United Textile Workers, C.I.O. affiliate, but it is believed the nucleus for the recently organized plant union was provided by a group of 70 adherents of the Young Communist League. The workers in question have belonged to the Y.C.L. for several years.

The presence among the striking unionists of workers with Communist affiliations or at least Red sympathies, was definitely revealed at the Red rally in Toronto on May Day. Into this gathering marched a large group proclaimed by a placard to be Ontario Silknit strikers, and led by Lily Himmelfarb, Young Communist League organizer. Another Y.C.L. agent, Joe Kleinstein, and various other Red operatives, have been noticed cruising about the picket lines and otherwise injecting themselves into the strike situation.

Communist Machine

Precipitation of the Oshawa dispute brought about abandonment of the ostensibly undercover and detached policy of the Communists in regard to C.I.O. in Canada. The network of Communist organizations put a well-organized machine into operation to stir up a truculently hostile attitude among the strikers, and to exert the greatest possible influence on the newly formed union.

Observed in Oshawa throughout the strike and the days immediately preceding, bombarding strikers with propaganda and influence in every form, were Sam Scarlett, Communist party district organizer; J. H. Salsberg, leading figure in the party and affiliated organizations; Beatrice Ferneyhough, Young Communist League organizer; and other party agents from Toronto headquarters.

The Ferneyhough girl is reported to have made contact frequently while at Oshawa with Mrs. Hugh Thompson, wife and assistant of the C.I.O. agent who organized the Oshawa motor workers union. She also made it her special task to organize among women relatives of the auto workers a women's auxiliary of the union, and at last reports was still in Oshawa continuing this work.

Women's Auxiliaries

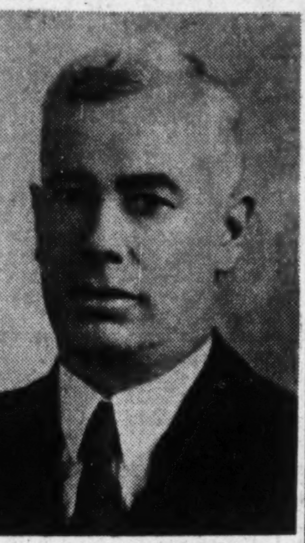
Formation of such auxiliaries featured C.I.O. operations in Michigan and other parts of the United States. It was originally developed by American Communist chieftains as a method of strengthening Red union organizations, and actively promoted by Communists dotting the organizational rosters of the C.I.O. and its unions.

Communist agents were observed entering and leaving Hugh Thompson's hotel room in Oshawa, though it could not be determined whether they approached him as avowed Communists or whether he accepted whatever proposals they advanced. There were no signs reported that Communists had worked their way into the ranks of the strikers or union officers. But during the strike Communist agents and workers from Toronto mingled with strikers on the picket lines and otherwise circulated among the unionists.

Groups of Young Communists descended on Oshawa each morning to sell the "Daily Clarion" among strikers, and remained there to assist in the general agitation. On several occasions, The Financial Post is informed, trucks full of "shock troops" from Red halls in Toronto went to Oshawa. The picked men deployed themselves to stragetic positions, and quietly dropped stones and bricks where they could be easily grabbed up by pickets.

Stratford Agitator

Another Communist who functioned at Oshawa was Fred Collins, fomenter of the Stratford furniture strike several years ago. He became an officer of the Toronto District Trades Council after the American Federation of Labor unions absorbed the members and officers of the Communist unions in the Workers Unity League several years ago. This Moscow-sponsored deal involved Federation unions and the Red groups in both the United States and Canada. It is partly responsible for the appearance of so many American Communists and radical agitators among the high officials, organizers and members of the C.I.O. and its insurgent A. F. of L. unions.



BANK SUPERVISOR

A. T. Lowe, who has been appointed to succeed J. H. Menzies as supervisor of branches in Alberta of the Royal Bank of Canada.

Collins appeared as a speaker at a rally of the Oshawa strikers, with other officers of the District Labor Council who conveyed assurance of the Council's support of the strikers' cause. The Council went on record some months ago as endorsing the C.I.O. movement, and opposing any move to split the Canadian branches of C.I.O. and A. F. of L. unions.

Curiously enough, the resolution to this effect was moved by Jack MacDonald, one time chief of the Communist party of Canada and now a leader in the Canadian wing of the "outlaw" Trotskyites.

Observers in some quarters profess to see another link, between the Communist organization and the C.I.O. in Canada, in the participation in strike settlement negotiations of J. L. Cohen, Toronto Labor lawyer. This appears to be, however, largely a suspicion based on circumstances that may be parallel but not necessarily linked.

Cohen Spokesman

Cohen appeared in Oshawa as adviser and spokesman of the striking unionists, and was retained as counsel by the international headquarters of the United Automobile Workers, C.I.O. affiliate. He played a leading part with local union officers in the parleys leading up to the strike settlement, and put his initialled approval on the agreement with General Motors.

Mr. Cohen firmly denies that his engagement by the auto workers union is linked in any way with the fact that he has periodically acted as counsel for the Canadian Labor Defense League, an organization promoted and controlled by the Communist party of Canada.

Mr. Cohen appears to have been retained as counsel for the C.I.O. auto workers principally because of his position as regular counsel to the Toronto District Labor Council and many of its affiliated unions. At the same time, his engagement by the auto workers seems to have been at least endorsed by the Communists. The day before he proceeded to Oshawa, a meeting of Red leaders in Toronto reportedly arrived at a decision that Mr. Cohen should be selected to represent the strikers and the union.

Communist Organizers

As in the United States, numerous organizing agents for the Communist party and its affiliated bodies, and former organizers for the absorbed Red trade unions (Workers Unity League), have now cropped up as active participants in the C.I.O. drive in Canada. In Toronto, for instance, Richard Steele, district agent for the C.I.O. campaign among Canadian steel workers, is a former (1932-33) Young Communist organizer and still maintains his connection as an active party worker. In the same category falls Charles Dennis, now active in enrolling rubber plant workers in Toronto in the C.I.O. rubber union. Latest information lists both as members of the Ward Two Communist Party in Toronto.

In other parts of the country there is William Finley, a former Workers Unity League organizer now in the vanguard of the C.I.O. organizing campaign among Nova Scotia steel workers. In 1931 and succeeding years he was district organizer for the Communist Party in the Vancouver area. In 1935, on his return from a trip to Russia, he was assigned to Nova Scotia as organizer for the Workers Unity League.

In British Columbia, attempting to organize longshoremen under the C.I.O. banner, is Tom Ewan, former national secretary of the Workers Unity League. He is well known as a Communist leader in Toronto.

The Toronto men, Steele and Dennis, reportedly were among the Canadians who attended a general conference, held in Pittsburgh, last October, at which C.I.O. leaders, regional and district agents, and officers of affiliated unions were present. According to information reaching The Financial Post, the purpose of this assembly (and of similar gatherings in Detroit and Indianapolis) was to plan the general strategy and organization campaign by which the C.I.O. campaign on this continent should be guided.

Delegates from Communist groups in the United States and Canada are said to have participated in the conference at Pittsburgh with representatives of the C.I.O. and its union. The Canadian delegates reportedly included Steele and Dennis, A. A. McLeod, of the Red-sponsored Canadian League Against War and Fascism; and Robert Welkie, representing the Communist Party of Canada.

The conference discussed methods of building up organization of mass production workers to the point where general strikes affecting both Canada and the United States could be called. The conferees agreed, it is said, that a Canadian committee should be formed to co-ordinate and direct operations in the Dominion, and that the Canadian Labor Defense League (Communist) should supply any legal aid required at the expense of the union involved.

A committee has since been formed, it is reported, to further C.I.O. organizing activities in Ontario. The 12 members are headed by Stewart Smith, Ontario organizer for the Communist Party and at present the sole Communist alderman in the Toronto city council.

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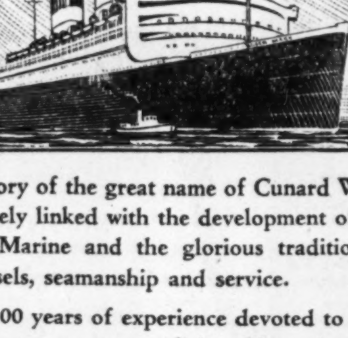

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Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."— Shorter Oxford English Dictionary.

Worthless Stocks

Passage of security frauds preventive legislation in most of the provinces has done a great deal to stamp out operations of swindlers, manipulation of clients' funds by "bucket shops," and use of high pressure methods by unscrupulous operators seeking victims. But rackets in this field still persist, the chief difference being that they are not so frequent, more cautiously perpetrated, and usually involve elaborately worked out schemes with elaborate stage settings.

One such scheme is fully described in a special report of the Montreal Better Business Bureau. Known as the "sell and switch" racket, it has been tried in Montreal and Toronto and, it is feared, may crop up periodically in other urban centres.

With a respectable-looking office, a securities sale license and other trappings of a legitimate concern, the racketeer sets salesmen to work through a telephone "boiler room." Sometimes the statutory restrictions on use of the telephone by brokers are evaded by using telegrams and long distance calls to contact suckers in another province.

The victim is persuaded to buy through the phoney brokerage house some shares of a well-known stock, a rise in the price of which is shrewdly expected by the swindler and often comes. Elated, the victim is persuaded to take on heavier commitments on margin, for whatever cash and securities he can dig up. The orders are actually executed.

After an interval, the sucker is told that an anticipated wave of heavy selling, possibly because of liquidation of an estate with large holdings of his stock, makes it advisable for him to get rid of his commitments. It is suggested that he switch his funds temporarily to another stock, which later turns out to be an unlisted, wildcat issue, owned or held on option by the fake broker.

Lulled into confidence by the success of his first flyer in the market, the victim buys into the wildcat stock. By the time he wakes up, he has a virtually worthless block of stock on his hands, the "broker" has his money and securities, and there is little or nothing he can do about it.

One such outfit which operated in Montreal had made contact with potential victims as far away as the Maritimes, the Prairie Provinces, British Columbia and California.

Another form of racket which crops up periodically to harass better business bureaus and security frauds authorities is the "stock rights swindle." The victim is led into believing that a defunct mine in which he holds stock is about to be revived, and that extra stock rights which he supposedly neglected to take up can be acquired from a "firm" which later turns out to be a confederate of the swindler, talking from a pay station. Sometimes the sucker does not even hold stock in the mine but is informed that he has been assigned "rights" in an enterprise on the verge of being rejuvenated.

Newfoundland Report Indicates Improvement

Annual report of the Newfoundland Commission of Government for 1936, reviewing the administrative work of the main Government departments, states that while progress is not spectacular, it is far reaching. In spite of persistent distress in the basic fisheries, the report indicates that the economic situation in the island as a whole shows definite improvement.

Montreal Stock Trading Records Gain During April

From Our Own Correspondent

MONTREAL. — Montreal Stock Exchange and Montreal Curb Market report trading volume at 8.9 million shares in April, an increase of one million shares over the previous month and a gain of 6.2 million shares over April, 1936.

Industrial turnover last month amounted to 2.1 million shares or slightly less than the previous month, but 1.6 million shares more than in April last year.

Mining stocks' total turnover in April was 6.8 million shares, compared with 5.7 million shares in March this year and two million shares in April a year ago.

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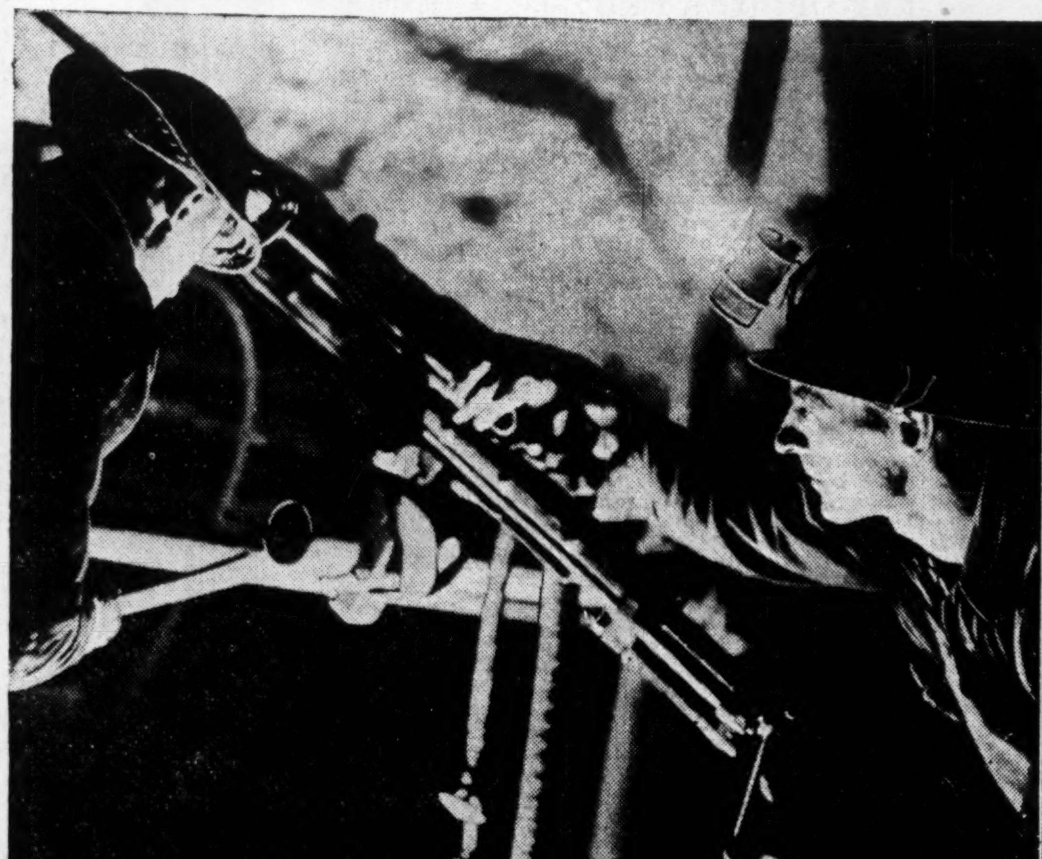
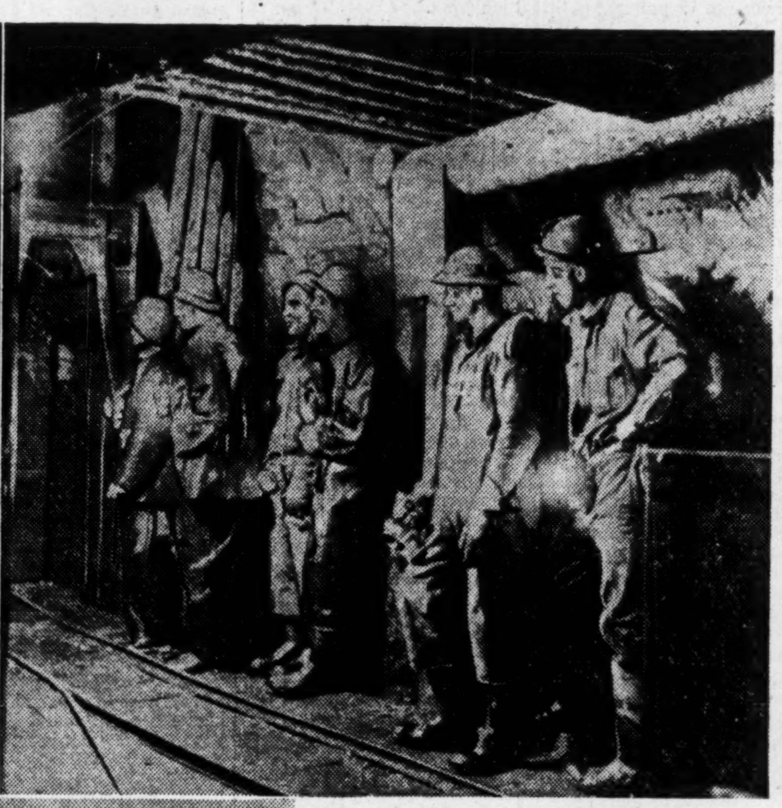
Can C.I.O. Win Canadian Miners?

Why Canadian Mining Camps May Prove Tough Nuts for Strike Agitators

An Intimate Chronicle of The Days and Doings of The Gold Seeker





By **WILFRID SANDERS**

STEVE works underground in a gold mine at Timmins, Ont. He is what is known as a machine runner.

Steve has been hearing a lot lately from and about the Committee for Industrial Organization, and has been approached to join the International Union of Mine, Mill and Smelter Workers, an offshoot of the C.I.O. He has attended several meetings, since this organization first arrived in Timmins last summer.

The purpose of the Union, Steve was told at these meetings, was to obtain the following seven demands:

(1) An eight hour day from surface to surface.

(2)) A flat wage increase of 15 cents an hour for all workers.

(3) The miner's right to choose his own doctor.

(4) An established system of bonuses on which a union engineer can check.

(5) Two weeks annual holiday with pay.

(6) A change in the Workmen's Compensation Act to cover silicosis cases caused by inhaling quartz dust.

(7) A Union Safety Committee, with a safety man on every level.

In order to obtain these demands, it is quite conceivable that, were Steve to join the Union, he would be asked to strike for an indefinite period, during which all income would stop and he would be dependent for the necessities of life on the doubtful resources of the Union.

A study of 24 hours in Steve's life would be an interesting way of seeing just how the obtaining of these demands would change his life—if at all.

Minimum of $5.20 a Day

STEVE is married and has two children. He is British born, as are at least two-thirds of his fellows. As a machine runner, his basic minimum wage is $5.20 a day, or $31.20 a week. He has always earned a great deal more than this at his present job, however, because of the bonus system in effect in most northern mines. Under this system the men are organized into groups of two or four, depending on the number employed on one particular job. This group is paid a bonus for every foot of rock driven, above a certain minimum. Others are bonused on the basis of number of cars of ore moved. The bonus is divided evenly between Steve and his assistants. Other groups divide this bonus in other ways, by mutual agreement.

Steve lives in a little house in Timmins, one of 200 similar houses built by the company for which Steve works, and rented by him at $20 per month. This home is equipped, among other things, with shower bath, complete plumbing facilities, a radio, and a sepia photograph of his wife's father in his lodge outfit. All the 200 homes in this townsite are occupied, and there is a waiting list of some hundreds. Because of the fact that there are in Timmins several chain stores and departmental store branches, the furnishings for Steve's house were obtained at prices only slightly above those prevailing, say, in Toronto. Steve does not drive a car, but expects to some day. One of his children is attending the up-to-date technical school at Timmins, and the other is at high school in the same town. In this regard, Steve's worries are no greater than those of any father in any city.

Eight-hour Shift

HE WORKS eight hours a day, six days a week, his shift starting at 3 p.m. and ending at 11 p.m. He does not quite understand the C.I.O. emphasis on an eight hour day.

Usually he gets up about nine o'clock in the morning, and after breakfast, works in his garden in the summer, or reads the paper, goes shopping with his wife, or does any one of a number of things which any husband does in any house, anywhere.

Sometimes, during the course of the morning, Steve drops in at one of the Timmins brokerage offices, and looks over the market situation. Miners are keen market observers and on many an occasion buying from the north has been the first intimation in southern Canada of new mine developments. As far as making a profit on the shares of the company for which he works, Steve has as much opportunity as, if not more than, his fellow Canadian in Montreal.

Arriving at the mine at a few minutes to three, Steve goes direct to the locker room, where he leaves his street clothes. Then he goes upstairs to the dry room, where his mine clothes are hanging on a hook, cleaned and dried by special equipment. His underground clothes include rubber coat, rubber boots and safety helmet. Donning this equipment he goes downstairs again, past the mine captain's and shift bosses' offices, to the lamp rack, where he receives his electric lamp. The battery, which has been charged while Steve was off-shift, he straps on a belt around his waist. From here he passes to the checker's wicket, and checks in. Then, with his fellows, he walks to the shaft house.

Mine Safeguards

AT THE moment, Steve is working 3,000 feet underground.

The phrase "3,000 feet underground" to the layman may seem to imply hidden danger. Let's examine the details.

The cage, or elevator, by which Steve and his colleagues descend and ascend to and from these depths is tested at least as thoroughly as the elevators of a metropolitan skyscraper. Going to the scene of his labors implies no more hazard than the broker's trip to his office on the 14th floor of an office building.

All hoists are the direct and sole responsibility of a chief hoistman, to whom all hoisting engineers are responsible. This expert makes a personal inspection of each hoist and all its appurtenances once a week, and reports his findings in writing. All running ropes are manually inspected weekly and are examined on the drums daily.

Safety attachments on cages and skips (the latter used for hoisting ore) are examined daily, inspected weekly and rope tested once a month. Every six months a sample is tested by the Ontario Department of Mines. Safety appliances developed over years of experience are as near foolproof as it is possible to make them.

Why? Because the mine owner is humanitarian? Not necessarily. Because the workmen have threatened to go on strike if these precautions aren't taken? Not at all.

Safety in this and every other detail of mining is simply a matter of good business. The mines, like other industries, are assessed by the Workmen's Compensation Board for every accident in the industry. Accidents, the mine manager knows, are costly things. He has demonstrated that it is economical to spend large sums in ensuring the safety of his workers. Every mine has one or two safety engineers, experts in taking precautions, in locking the stable door before the horse is stolen.

Where C.I.O. Works

STEVE and his fellow workers have been urged to agitate for safer conditions. It is inferred by the C.I.O. organizers that if the workers took this matter in hand, hazards would be reduced. In addition to the safety precautions already detailed, here is how the general safety factor is handled at present.

Safety and first aid work is in charge of two full-time safety engineers, and a St. John Ambulance Brigade officer, in addition, of course, to the regular mine doctor. Regular classes are conducted in safety measures and first aid. All mine clerks, and shift bosses, which term includes captains and foremen and a number of the men, have received first aid training and hold certificates of efficiency in first aid work from the St. John's Amubulance Brigade. Each foreman, boss and workman carries a small pocket-size first aid kit, in addition to a supply of first aid materials on surface.

Every day the safety inspectors make their rounds, checking equipment and make full reports. Each employee is supplied with a code of safety regulations. At every station in the mine is a sign post, indicating the location of the nearest stretcher and first aid equipment, of which there is a supply on every level. No matter how trivial, all injuries must be reported at the first aid room.

If it is thought that an injury requires medical attention, the injured man is given a printed slip to be taken to the doctor. Although the company has a staff doctor and his assistants on regular call, the man is given the privilege of going to any doctor of his choice.

Life Lines of a Mine

ONE more illustration on this question of safety, on which the C.I.O. organizers are laying such stress. Twice each year, evil smelling but harmless gas is turned into the airlines. On those days, as each man enters the mine, he is handed a piece of paper on which he is instructed to write his working location and the exact time, to the nearest limit, at which he first noticed the stench. These slips are turned in to the safety inspectors who are then given material with which to compile a sensitive chart of the air lines to all parts of the mine—and air lines are the life line for the miner.

At a recent meeting in Timmins, Steve heard the C.I.O. organizer declare that because of the fact that doctors were employed by the companies the men were unable to get adequate compensation for silicosis, caused by dust in the lungs. It was argued that because the company was assessed for every case by the Workmen's Compensation Board, it took care to treat each case with scepticism.

"I know of hundreds of men who will never work again and are denied compensation because of this fact," declared the organizer.

Steve chuckled. He knew, as every miner knows, that compensation for silicosis is made by a special referee board appointed by the Workmen's Compensation Board and comprised of experts who have no connection whatsoever with the mining company. Nor has the company doctor any say as to who will, or who will not, receive compensation.

Knowing all this, Steve is not impressed by the safety demands of the Union. He knows that in mining, as in every other line of business, the biggest cause of accidents is carelessness of the worker, and this factor only the worker can control. He does not need Unions to do it.

Underground Workshop

ARRIVING at the 3,000-foot level, Steve leaves the hoist, and walks along the electrically lighted crosscut to where drifting operations are under way. As a machine runner, his job is to operate the drills which, like searching fingers, probe into the face of the drift, making the holes in which the explosive charge is placed.

The crew with which he works consists of a driller, a helper and two muckers, four in all. The muckers, who shovel the broken ore into the cars, are the lowest paid men underground, but are assured of a minimum wage of $4.65, plus the bonus. Each crew is assigned two faces in the drift and usually, in one shift, drill two rounds, each round averaging about 20 drill holes. By drilling and blasting two rounds, the crew will break about 60 tons of rock per shift, and advance, in hard rock, between six and six and a half feet per shift.

The organization into which Steve and his four-man crew fit is comparable with the organization in any modern, efficient industrial plant. Details, of course, vary with every mine, in accordance with varied mining conditions, but the broad principles are the same.

In Steve's mine, all mining operations are supervised by a general mine superintendent. Under him are three other superintendents, one of whom is in charge of development and two in charge of ore production. Under these men again are six mining captains and two assistant mining captains, eight foremen, two safety engineers and one underground mechanical foreman, down the line. These 22 men, with the general mine superintendent, constitute the underground operating staff. In a typical year, this band of 23 men handle and direct the labor power of some 2,000 underground men.

For instance, if Steve's drill breaks down, the mechanical foreman is consulted. Directly, he is responsible to his foreman. These foremen are scattered through the various workings of the mine and are responsible to the mining captains.

No "Speed-Up"

THERE is no "speed-up" plan in the mines, such as is objected to by workers in other plants. The bonus system works in an entirely different manner. Take, for instance, a runner operating a diamond drill. The operating crews are guaranteed wages, but work under a sliding scale bonus system. Under this system, a bonus is paid on the average footage per shift for 24 shifts in excess of a set average footage or "task." For one particular type of drill machine, the task is 32 feet per eight hour shift. For the first five feet in excess of the task, the runner receives, in addition to his basic wage, 10 cents per foot, and the helper six cents per foot. For the second five feet above the task, they receive respectively eight cents and five cents and for the third five feet above the task, seven cents and four cents. The average bonus per shift is $1 although, of course, this varies greatly. There is nobody standing over Steve to see that he does more and still more work. The task is a minimum and can easily be fulfilled. Whether or not he does more than the task depends entirely on himself.

Blasting is not done until the end of Steve's shift. The reason for this little precaution is that it obviates the necessity of returning to the face of the drift through smoke and dust —and is, of course, safer.

The Union claims that it is difficult for the men to understand the method by which bonuses are paid. Steve will tell you that it takes only a tape measure to figure out how far his shift has progressed, and estimate the bonus due accordingly. In addition, the amount of powder used by each crew is posted daily, thereby giving a simple indication of the amount of work done.

After his shift, which includes half an hour for lunch, eaten with a group of his fellow workers in the most convenient corner of the workings, Steve leaves for the shaft and is whisked above ground.

Health Precautions

ARRIVED on surface, Steve leaves his lunch box at the Box Inspector's window (a precaution against gold thefts) and passes on to the lamp rack, where he leaves his lamp for charging. He then goes to the dry house, or mine-clothes room, where he hangs his wet rubber garments on the rack for drying. Stripped, he spends 20 seconds in the Solarium, thereby absorbing the equivalent in vitamin D of five hours in the sunshine. A shower comes next, carefully graded in temperature from hot sprays in the first section, to medium in the second, and cold in the third. By these precautions, made available to Steve by the company, through the efforts of no Union, the men are kept in first class physical shape and are less apt to contract colds when emerging into the northern atmosphere.

Leaving the locker room, clad once more in his "street clothes" he passes a rack on which he finds his lunch box, in order. As he passes out of the building, he checks out with the time keeper. All this changing, these health precautions, have been carried out on company time.

This is Steve's working day. He has probably made between $6 and $7. His off hours he can spend as he pleases.

Steve at Home

BEFORE Steve was married he lived in the company's bunk house, which contained a reading room, billiard room and a community hall. The company charged him $1.25 a day for room and board, a rate which compares favorably with metropolitan rates and indicates that the higher cost of living in the north is not of tremendous significance.

The town is organized as regards schools and health facilities, like any other up-to-date Canadian town. In smaller mining communities, such as surrounding the operations of Falconbridge, Howey and Siscoe, the company has co-operated with the Government in establishing schools for miners' children.

Swinging the spotlight away from Steve, for the minute, and focussing it on the broader aspects of a miner's life, one finds many reasons for believing that if a strike comes to the north, it will be over a technicality, such as Union recognition, rather than over any major factor in the miner's working life.

A Steady Job

IN ADDITION to receiving a daily wage rate which compares favorably with any in Canada, the miner receives all year round employment. There is nothing seasonal about mining.

During the depression, while literally thousands of men were seeking employment at the mines, the industry never cut wages, or took advantage of the plenitude of labor. On the contrary, it has been estimated that the average wage in mining today is about 10 per cent higher than in 1929. Cost of living has not yet reached the 1929 peak.

The miners' fellow workers in the cities have had probably at least two cuts in this period and are not yet earning as much as they were then.

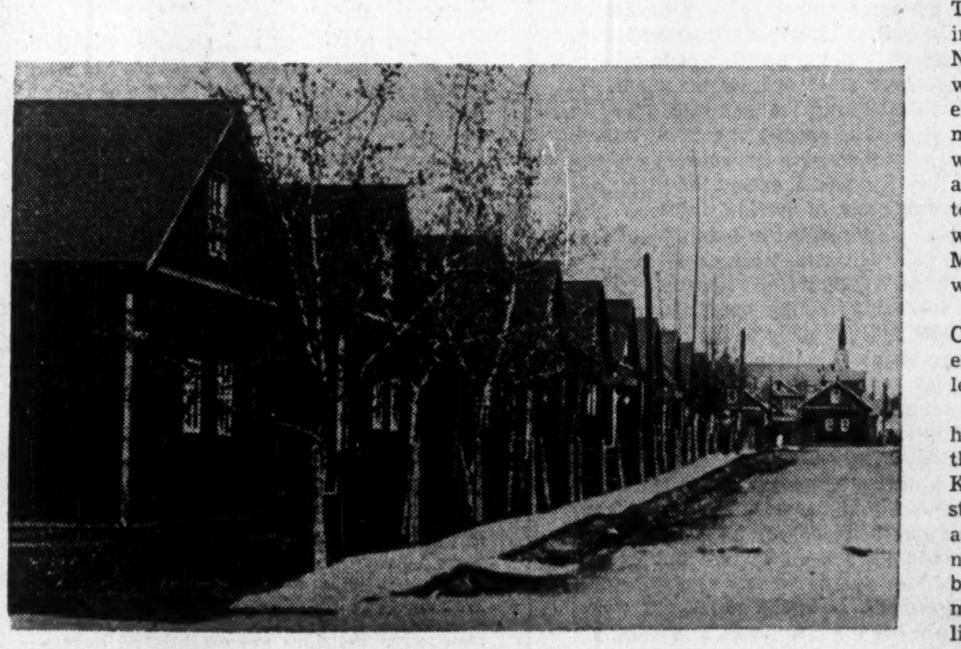
In the latest report of the Workmen's Compensation Board of Ontario, a table shows the average weekly wage of all cases dealt with during 1935. Industries are classified in 24 groups. The group which comprises mining and explosive workers (of which 90% are miners) shows an average weekly wage of $29.12—higher than any of the other groups. This average of $29.12 was before the general increases in miners' wages put through in November of 1936. The next highest weekly wage, as shown by the Board's figures, is for electrical workers, whose average, based on the men appearing for treatment, was $21.39 per week. Railway workers, usually considered a well organized, well paid group, belonged to the group the average weekly wage of which was only $16.06. Employees of His Majesty the King received an average weekly wage of $13.11.

Focal point for possible labor trouble in Canada's mining camps is, as might be expected, Ontario and Quebec, two of the leading mineral provinces.

In neither of these places has definite hostility been initiated. Early last summer, the C.I.O. started its organization plans at Kirkland Lake and Timmins. Organization is still virtually under way, as the Mine, Mill, and Smelter Workers Union seek to enroll names under their banner. No approach has been made to the management, and no demands, other than the general demands outlined at the first of this article, have been formulated. Several mine presidents, including J. P. Bickell, of McIntyre Porcupine, and Leo Timmins, of Hollinger, have stated that in the event of a strike, they will close up their mines until the men ask to return, rather than submit to "C.I.O. domination."

Incidentally, it is of interest to note that "mining" is one of the industries referred to

(Continued on page 12)



HOMES FOR THE WORKERS

Making a gay pattern of varying reds and greens, the 200 workmen's homes erected on Hollinger townsite by Hollinger Consolidated Gold Mines at Timmins, are in great demand among the employees. The Financial Post understands that there are some hundreds on the waiting list. These homes, complete with plumbing and showers, and many with radios, rent at $20 per month, and are designed specifically to meet the requirements of the working miner. The above view shows one of the streets in this interesting development, a development which is representative of the provisions made by Canada's mining companies for the benefit of employees.

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No Change in Policy Western Wheat Pool Seen in Near Future

See No Challenge to Left Wing Control Following Loss of Brouillette Though Provincial Politics Might Upset Calculations — Growing Apathy Seen

From Our Own Correspondent

REGINA.—Change in leadership of the Saskatchewan Wheat Pool occasioned by the death of its aggressive president, L. C. Brouillette is not expected to be followed by any deliberate change in policy, for the present at least.

For the past six years the left wing group, direct descendant of the merged United Farmers of Canada has held unchallenged control of the Pool. Mr. Brouillette who succeeded to the presidency on the death of A. J. McPhail represented this militant and somewhat radical group. The conservative element representing the old Saskatchewan Grain Growers' Association has for years appeared willing to let the left wingers rule. Even with the left wing leader gone there seems no indication of an attempt by the rightists to wrest control from the radicals.

If and when the present agitation for a compulsory wheat board comes to an unsuccessful end—a conclusion which seems at the moment almost inevitable—there is hardly likely to be much room left for any dangerous type of radicalism in grain marketing. Under these circumstances the conservative members will probably remain content to carry on their policy of remaining aloof from rather than opposing the aggressive policies pursued by the leftists.

New Ventures

A revival in pool marketing for the present seems unlikely. Farmers are reluctant to sign new contracts and pool officials themselves have taken the stand that pooling cannot be successful while an open market exists. This situation seems to indicate that any urge for change within the Saskatchewan pool will find expression in ventures into new lines of business such as insurance or retail distribution. Authority for such ventures was obtained from the legislature at the recent session on condition that a sufficient number of pool members give their support to the bill at the next annual meeting.

Whatever changes may be seen in the future picture of the Saskatchewan Wheat Pool will come, it is believed, as the result of time and altered circumstances rather than from any objective action. The Brouillette leadership has made itself felt, not only within the province, but throughout the West. There is some doubt if the unity of the three provincial pool organizations which has marked the Brouillette regime can be retained.

So too over a period of years the Wheat Pool may become less radical and develop more of the normal character of a big business organization but it will be the result of a lapse of time rather than any change of leadership or policy.

Mr. Brouillette's mantle, as already reported, is likely to fall on J. H. Wesson, now vice-president though there are 15 other directors, each elected from a particular area of the province who might make a bid for power.

Calculations may be upset by political manoeuvring. Saskatchewan has always been a strong believer in the advantages of political organization, and the pool, with over a thousand elevator agents, with a weekly newspaper of its own and with hundreds of other employees, delegates and committee members, has often been looked on longingly as a possible adjunct to a political machine.

Whoever assumes the leadership, however, the pool is likely to be less aggressive than it has been in the past. The new leader must face a growing apathy toward the pool organization from within and without. At one time the Saskatchewan Wheat Pool handled well over half the grain of the province. It still handles about 45%. This figure, however, is more likely to shrink than to grow. There seems little in sight to bring new members into the pool with the same enthusiasm which was seen among the first pool signers 13 years ago.

History of Pool

The Saskatchewan Wheat Pool was formed as the result of common action between two previously warring farmers' organizations, the Saskatchewan Grain Growers' Association which provided the first president, the late A. J. McPhail, and the United Farmers of Canada. For a time lines were drawn sharply between the left wing and a right wing in the organization. The right wing, however, was hardly able to survive the wiping out of the Saskatchewan Co-operative Elevator Company, which sold its elevators to the Pool, and the disappearance of the Saskatchewan Grain Growers' Association. Complete triumph of the left wing was apparent when the Saskatchewan organization in 1931, declared in favor of a compulsory wheat pool for the province, and succeeded in getting the legislature to pass an act, later found to be unconstitutional, for that purpose. The present drive of the pool for a compulsory and exclusive wheat marketing board is along the lines of policy then established.

The greatest problem before the new president will lie in reconciling the claims of various groups of farmers to a share in the control or earnings of the company. The question must be faced as to whether the pool is going to forgive the "overpayment" of some $13 millions which it has charged up against a portion although not against all of its members, or whether that debt will be regarded as extinguishing the members' claims to pool reserves. It is certain that no attempt at collection in any other way would be made.

The problem cannot be solved without some discrimination between different classes of members, and it will require a good deal of skill to preserve the good will of all concerned.

Pattullo Plan For the Yukon Stirs Interest

Annexation Proposal Is First Major Election Issue in B.C.

From Our Own Correspondent

VANCOUVER.—No political announcement in recent years caused more surprise in British Columbia than Premier T. D. Pattullo's statement that a deal was being negotiated for the annexation of the Yukon to B. C.

At first blush it looked as though Premier Pattullo had driven a smart bargain in his campaign to bolster his argument for better terms from the Federal Government. By speaking for the whole of Canada west of the Rockies from the American line to the Arctic, a premier of the enlarged British Columbia would probably carry more weight in national deliberations. He would also be in a position to bring about a more unified policy for the development of the northland, especially if by taking over the Yukon he could look to Ottawa for an increased subsidy.

But it is still too early to form a complete estimate of the significance and value of Mr. Pattullo's stroke.

An Old Ambition

Apart altogether from the economic considerations involved, a union of British Columbia with the Yukon would mark the realization of an old ambition of the rosy-cheeked young man who in 1898 went to the Klondike gold rush country as secretary to the gold commissioner, watched the north's early development then moved to Prince Rupert to launch into B. C politics more than 21 years ago. The Yukon idea has been a long time forming in Mr. Pattullo's mind.

The immediate effect of the Pattullo announcement has been to give the provincial election, scheduled for June 1, a major campaign issue—something that heretofore was missing. The Government had sidetracked the health insurance controversy as a part of the party programme by arranging for a plebiscite and leaving the decision with the voters. There is still every expectation that the scandal over the collapse of Hedley Amalgamated Gold Mines and the subsequent criticism of the Government's mines administration will form ammunition for Government and Opposition orators, but the Yukon annexation scheme tops them all in permanent importance.

Asset or Liability

In view of the suddenness of the Yukon development critics of the Government were quick to seek an ulterior motive. The fact that the Federal Government has been putting two dollars into the Yukon for every dollar taken out in recent years was a source of some bewilderment to those who were unable to agree with Mr. Pattullo that B. C would profit from the deal.

One theory, so far not commented on by Mr. Pattullo, is that annexation with the Yukon contemplates construction of the proposed Alaska highway with United States capital. President Roosevelt has signified his approval of the plan without committing the Government to any expenditure, and the project has the endorsation of tourist organizations and chambers of commerce up and down the Pacific coast which visualize the road as an important link in the highway chain through the northwest. It would represent a continuation of Highway 99 from Panama to Alaska.

British Columbia Plans 500-mile Road Programme

From Our Own Correspondent

VANCOUVER.—British Columbia's road surfacing programme this year will be the largest ever undertaken by the province. Nearly 500 miles of highway will be surfaced. Funds will come from the loan of $3 millions which was recently negotiated at Ottawa. The Government has yet to announce details of the Provincial - Dominion road programme totalling $1.5 million.

Can C. I. O. Fool the Miner?

(Continued from page 11)

in the Industrial Disputes Investigation Act, which sets forth those industries in which arbitration must be resorted to before a strike is called. But it is generally acknowledged that the Act is not applicable to mining operations as such, because they are provincial in scope. Coal mining is held to be covered by classing it as a public utility whose continued operation is essential to national welfare. No test case has been made of gold mining, and it is understood the Industrial Disputes Investigation Act would not apply. This means that any disturbance involving Government intervention would be left for provincial action in these two provinces.

No Alarm in West

Reports from the West indicate that the threat of the C.I.O. to invade northern Manitoba mining camps is not taken very seriously by mining men.

It is pointed out that in the strike of the Hudson Bay Mining and Smelting Co. employees at Flin Flon in 1934 the company adopted exactly the same tactics publicly advocated by J. P. Bickell, of McIntyre Porcupine Mines, and closed up, making no attempt to take in strike breakers or to operate the plant. It remained closed until the men were ready to go back to work in exactly one month's time. The company then gave its workers practically all they had asked, except the major demand—recognition of outside Unions.

Trouble was fomented in Manitoba at that time by paid agitators, working in conjunction with the Workers' Unity League.

Manitoba's big mining operation at Flin Flon, which will probably be the centre chosen if any strike is attempted, was operated throughout the depression, during a period of subnormally low metal prices, in the main because the company was anxious to keep the community together. If the company had closed up during those years, and conserved its reserves for higher prices, it would have reaped many more dollars profit, but thousands would have been thrown out of employment.

By December, 1935, the company's wages had returned to the 1935 levels, and since that date have been further increased, the latest increase being on April 1 of this year. The camp is now one of the best paid mining operations in Canada, and employs about 1,600 men.

In British Columbia, standard for labor conditions is set by the Trail operation of Consolidated Mining & Smelting Co., an operation which has become a by-word on account of its forward looking policy. The method by which Smelters is operated, largely as a result of the work of its its vice-president, Dr. S. G. Blaylock, was described in some detail a few months ago by The Financial Post. Briefly, the 5,000 employees at Trail are organized under a co-operative plan, which has survived practical tests since 1920. Every employee, after being with the company three years, becomes a shareholder, being presented with a share, fully paid.

Biggest enemy of the professional agitator at Trail is the "Grievance Plan," by which each of the 15 or 20 departments of the operation elect two delegates to a committee, which meets with the management, partly on the company's time, twice a month. All grievances are discussed and dealt with at these meetings. The employee feels free to talk with his delegate, whereas were his only recourse to talk with "the boss," he might hesitate to unburden himself except at mass protest meetings, which are never held at Trail.

Pension provisions and an apprenticeship system, whereby sons of employees are welcomed to the plant, and are given a choice of which department they wish to work in, are other features of this highly successful plant.

Quebec Obstacles

NORANDA MINES in Quebec has also taken an active interest in the welfare of its employees. Ten years ago it provided homes for mine workers and for any other resident of the town of Noranda — at low rentals. It has made loans to employees and residents of Noranda to enable them to buy their homes and get a stake in the community. It has built a skating rink, tennis and golf facilities, laid out sewer and waterworks systems, and engaged experts to devise a scheme of town planning which has resulted in Noranda becoming a thriving business community as well as a so-called "company town."

Recently, Noranda inaugurated a pension plan for employees, in conjunction with group insurance. Pensions are established by payment of $1, $2 or $3 by the employee to the pension fund twice a month and the company contributes the same amount to the credit of the employee's pension account.

Other, though perhaps less striking cases could be cited in mining camps throughout Canada, presenting formidable obstacles in the path of the strike agitator.

Gypsum-Lime Sales Increase

From Our Own Correspondent

MONTREAL.—Gypsum, Lime & Alabastine (Canada) sales for the first quarter of this year reflect increase in residential and other building. They are reported to be up from 15 to 20% over the same period in 1936.

For the year ended Nov. 30 last the company reported a net profit equal to nine cents a share on the common stock. This was the first net profit that Gypsum, Lime has earned since 1931.

Legislature's End Delayed in Quebec

Prorogation Not Expected Before May 15

From Our Own Correspondent

QUEBEC.—Hopes that the legislature session would end by May 8 were shattered last week-end. Premier Duplessis announced that in addition to the heavy programme still confronting the House, the Government intended introducing several important bills. Among them are the two electricity bills, one providing for an investigating committee to probe rate charges, and one empowering the province to set itself up in the business of power production.

Bills announced as forthcoming include one providing for the reorganization of the courts, the two electricity bills, two labor laws (among them one to assure 125,000 workers in the province of reasonable pay), two others relative to colonization projects, and one dealing with the Montreal Catholic School Commission.

Prorogation is not now expected much before May 15.

More Paying Income Tax

Higher First Installment Regarded as Good Business Omen

From Our Own Correspondent

OTTAWA.—Regarded on Parliament Hill as the most convincing index so far of the improvement in economic conditions in the Dominion which has taken place within the past 12 months, the first installment income tax payments of Canadians to the Federal Government, forwarded last weekend, totalled $36,000,000 as compared with $26,500,000 a year ago.

Not Strictly Comparable

While the figures are thus taken as indicating a marked improvement over a year ago, it is important to note that they are not strictly comparable. This is because a year ago taxpayers had the privilege of paying their assessment in four installments, which meant that only one quarter of the year's tax had to be forwarded in the first remittance. This year the number of installments has been reduced to three, which means that at least one third of the total tax must be remitted in the first payment.

Other Good Signs

The increased return from the income tax in connection with the payment now due is only one phase of a marked buoyancy which Government revenues are showing. Customs receipts are said by officials to have shown a particularly notable increase during April. For the port of Montreal the excess over last year is more than one million dollars.

Royalite Dividend

Royalite Oil Co. has declared a regular dividend of 50 cents a share and an extra dividend of 25 cents a share, the total of 75 cents a share being payable June 1 to shareholders of record May 15.

May Dividend Payments Increase $3.5 Millions

Dividends by Canadian corporations in the month of May will be more than double the amount distributed in the corresponding month of 1936, a compilation by The Financial Post shows. Total payments for the month are estimated at $6.8 millions, compared with $3.3 millions in May, 1936.

Thus total dividend payments for the first five months of the year will total $77.3 millions, an increase of $18.4 millions over the corresponding period of 1935.

Bond interest payments for the month are $2 millions lower at $41.3 millions.

Swelling dividend payments are increased payments on Canadian Bronze and Canadian Investment Fund common and Simpsons Ltd. preferred.

Extra dividends are being paid by Buffalo Ankerite Gold Mines and Brewers and Distillers Ltd.

Initial dividends are being paid on Orange Crush Ltd. preferred and United Steel Corp. class A stock.

Payments of Arrears

Payments on arrears of preferred dividends are being made by United Corp., Ontario Steel Products, and Wood, Alexander and James.

Consolidated Press is making a payment of 25 cents a share on its class A stock. The last payment was made Nov. 1, 1931.

Hydro-Electric Securities is paying 20 cents a share on its common stock. This is the first payment since March 31, 1932, when 10 cents a share was paid.

Details of May payments appear below:

Summary of May Payments

	1937 $	1936 $
Dividends	6,847,152	3,332,394
Bond interest	41,382,352	43,306,155
Total	48,229,504	46,638,549

Company:	Rate $	Date	Amount $
Assoc. Tele., $6 pf.	.42	15	19,821
Do., 7% pfd.	.49	15	16,153
Ault & Wiborg, pfd.	1.37½q	1	7,562
Beatty Bros., pfd.	1.50q	1	15,000
Blue Ribbon, pfd.	.50q	1	14,925
Brewers & Distillers	.40	20	2,310,951
Do., bonus	.10	20	577,737
Buffalo-Ankerite	.12½q	15	87,709
Do., extra	.05	15	35,083
Calgary Power, pfd.	1.50q	1	90,000
Can. Bronze	.37½q	1	30,000
Do., pfd.	1.25q	1	9,000
Can. Converters	.50q	15	8,667
Can. Inv. Fd., sp. & ord.	.04q	1	36,318
Canadian Oil, com.	.12½q	15	17,970
Cons. Press, A	.25	1	12,500
Cosmos Imp., com.	.25q	15	25,000
Crown Cork	.20q	15	20,000
Distillers-Seag., pfd.	1.25q	1	187,500
Dom. Bridge	.30q	15	154,170
Frost Steel, 1st pfd.	1.75q	1	14,717
Guelph Carpet, pfd.	1.62½q	1	11,930
Gurd, Chas., pfd.	1.75q	15	4,550
Hollinger Cons.	.05	20	246,000
Humberstone Shoe	.50q	1	10,000
Hydro-Elec. Secs., com.	.20	11	295,278
Imperial Bank	2.50q	1	175,000
Inter. Nickel, pfd.	1.75q	1	483,486
Int. Utilities, pfd.	1.75q	1	19,230
Do., $3.50 pfd.	.87½q	1	95,232
Little Long Lac	.10	15	183,300
Ontario Steel, pfd.	1.75q	15	6,304
Do., arrears	5.25	15	18,915
Orange Crush, pfd.	†.35	1	10,500
Penmans	.75q	15	48,388
Do., pfd.	1.50q	1	16,125
Quebec Power	.25q	15	138,299
Rolland Paper, com.	.25	15	15,000
Saguenay Power, pfd.	1.37½q	1	68,750
Shawinigan W. & P.	.20q	15	435,650
Simpsons, pfd.	1.25	1	140,625
Simpsons, Robt., pfd.	3s	1	100,500
So. Can. Power, com.	.20q	15	80,000
St. Law. Flour	.25q	1	9,000
Do., pfd.	1.75q	1	10,062
Steel of Can.	.43¾	1	201,250
Do., pfd.	.43¾q	1	113,685
Third Can. Gen. Inv.	.09	15	58,860
Toburn Gold	.02q	21	37,000
Toronto Elevators	1	15	25,516
Unit. Corp., A	*.75	15	48,202
United Steel, A	†.75	1	16,482
Weston, Geo. pfd.	1.25q	1	21,875
Wood, A. & James, pfd.	*1.75	5	11,375
Total			6,847,152

†Initial. *Arrears.
q—Quarterly. s—Semi-annually.

Bond Interest Due in May

	$
Corporation bonds	7,315,147
Municipal	4,556,991
Provincial	6,785,630
Dominion	22,724,584
Total	41,382,352

Brewers and Distillers Pays Dividend and Bonus

Payment of a dividend of 40 cents a share plus a bonus of 10 cents a share was approved by shareholders of Brewers and Distillers, of Vancouver, Ltd., at the annual meeting on April 29, 1937. The dividend will be paid May 20, 1937, to shareholders of record May 1.

Shareholders were told by the president, Col. H. S. Tobin, D.S.O., at the annual meeting that profits from combined operations for the first quarter of 1937 were slightly larger than during the corresponding period of 1936.

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Twenty-fourth Annual Financial Statement and Directors' Report

WESTERN GROCERS LIMITED

At the Annual General Meeting of the Shareholders of Western Grocers Limited, held at the Head Office of the Company the Directors' Annual Report and Statement for the year ended December 31st, 1936, was presented and approved.

The Directors, W. P. Riley, W. H McWilliams, H. W. Hutchinson, Frank O Fowler and James A. Richardson, were re-elected, and at a meeting of the Board following the shareholders' meeting, the officers of the Company were re-elected.

The Directors' Report follows:

Report to Shareholders

Herein your Directors present the Twenty-fourth Annual Report for the fiscal year ended December 31st, 1936, together with a Balance Sheet showing the financial condition of the Company at the close of the year, a statement of Earned Surplus and Profits, also the Auditors' Report.

STATEMENT OF PROFITS FOR YEAR ENDED 31ST DECEMBER 1936, AND OF EARNED SURPLUS ACCOUNT

Profit for the Year before taking into account the undermentioned items		$ 291,996.36
Deduct		195,639.25
Depreciation	$ 28,852.01	
Land not used, written off	36,725.00	
Executive Officers' Salaries	57,630.80	
Directors' Fees	4,000.00	
Legal	3,431.44	
Provision for Income Tax	55,000.00	
	$195,639.25	
		$196,357.11
Add Dividends Received		77.00
Net Profit for Year transferred to Earned Surplus		$196,434.11
Earned Surplus as at December 31st 1935		429,216.67
		$625,650.78
Dividends for 1936		119,181.30
Preferred Shares @ 7%	$ 83,601.00	
Common Shares, 3 @ 50c a share 1 @ 60c a share	35,580.20	
	$119,181.30	
Earned Surplus-Balance 31st December, 1936		$506,469.48

Sales for the year again showed an increase, continuing an upward trend, which has been in evidence since 1933. This increase in volume, coupled with some betterment in gross profits, resulted in larger earnings for the period

Inventories are larger than has been the case for some years back. Primary markets are higher, notably on certain staples. However, the merchandise in the Company's warehouses is well assorted and well bought, and should move into consumption to the advantage of the Company.

As is usual, inventories were taken at cost or market, whichever was lower Adequate provision has been made for possible losses on Customers' Accounts Receivable in the opinion of your Directors.

It will be noted that certain land owned by the Company has been written off. It was the considered judgment of your Directors that this action should be taken, having in view the substantial declines in Real Estate values since the properties were acquired.

Towards the end of the year reported upon it was found necessary to erect a new building at Prince Albert for the use of the branch at that point, which has heretofore occupied a rented building. Suitable premises were built, which should benefit the Company.

Dominion Fruit Limited, your wholly owned subsidiary, and H. H. Cooper Limited, your controlled subsidiary, each earned a net profit in 1936, which was in reasonable relationship to their respective sales volume. These net profits, however, have not been brought into the accounts of the parent company, your Directors believing it advisable to continue to strengthen the position of the subsidiaries.

Once again, the parent company and Dominion Fruit Limited closed the year without bank obligations and your Directors believe the companies are in satisfactory liquid condition.

Balance Sheet as at 31st December, 1936

ASSETS

Current Assets			$2,183,631.17
Cash on Hand and in Banks		$ 66,194.22	
Customers' Accounts Receivable after providing for possible losses		844,691.52	
Advances on Merchandise and Sundry Debtors		32,241.29	
Customs Deposits		4,465.00	
Merchandise—Per Inventories as determined and certified by the Management on basis of cost or market, whichever was the lower		1,236,039.14	
		$2,183,631.17	
Prepaid Expenses			12,892.66
Investments			460,787.35
In wholly owned or controlled Subsidiary Companies at cost less capital repayments		$ 457,687.35	
Shares in Associated Company at cost		3,100.00	
		$ 460,787.35	
Fixed Assets			816,089.14
Real Estate and Buildings at cost less depreciation and less amounts written off		$ 792,948.20	
Plant and Equipment at cost less depreciation		23,140.94	
		$ 816,089.14	
			$3,473,400.32

LIABILITIES

Current Liabilities			$ 649,768.10
Accounts and Bills Payable		$ 543,697.54	
Provision for Dominion and Provincial Income Taxes (re 1936 and prior years)		73,672.76	
Dividends payable 15th January, 1937		31,066.05	
On Preferred Shares	$20,900.25		
On Common Shares	10,165.80		
	$31,066.05		
Dividends previously declared and still unclaimed		1,331.75	
		$ 649,768.10	
Reserve for Contingencies			100,000.00
Capital Stock			2,217,162.74
Authorized:			
7% Cumulative Preference Shares of $100.00 each 25,000 Shares		$2,500,000.00	
Common Shares of No Par Value—30,000 Shares.			
Issued and Outstanding:			
7% Cumulative Preference Shares — 11,943 Shares		$1,194,300.00	
Common Shares of No Par Value — 16,943 Shares		1,022,862.74	
		$2,217,162.74	
Earned Surplus			506,469.48
			$3,473,400.32

Approved on behalf of the Board.
W. H. McWILLIAMS } Directors.
FRANK O. FOWLER }

Contingent Liabilities Reported: Guarantee of indebtedness to Banks, mainly in connection with subsidiaries, for a maximum amount of $238,175.22.

Auditors' Report to the Shareholders:

We have examined the books and accounts of Western Grocers Limited for the year ended 31st December, 1936, and in accordance with the requirements of the Dominion Companies Act, we report that we have obtained all the information and explanations we have required, and that, in our opinion, the accompanying Balance Sheet as at 31st December, 1936, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the books.

In accordance with Section 114 of said Act, we report that the profits of subsidiary companies have not been brought into the accounts of Western Grocers Limited excepting as to a minor dividend received of $72.00.

(Signed) SHARP, WOODLEY & COMPANY,
Chartered Accountants.

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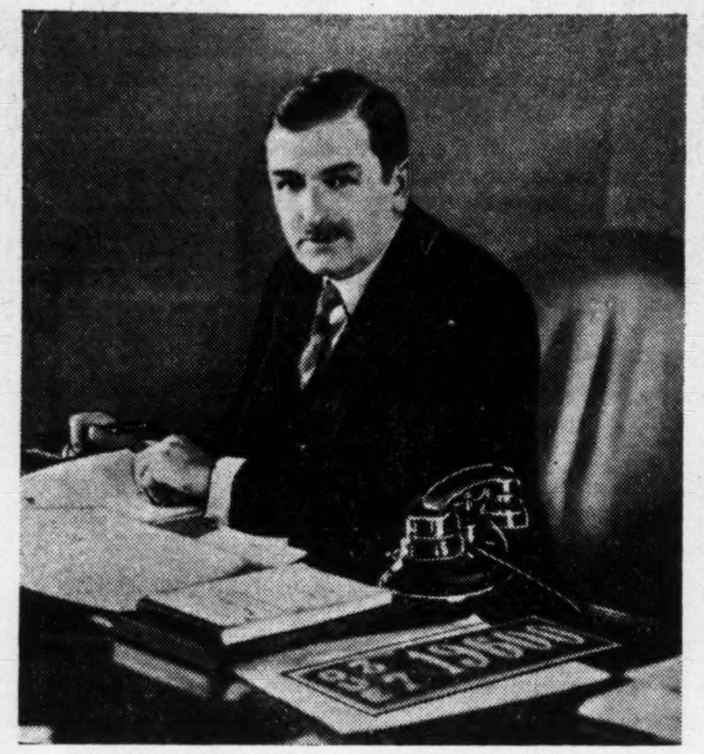
Calgary, Edmonton and Lethbridge in Alberta; Moose Jaw, North Battleford, Prince Albert, Regina, Saskatoon and Yorkton in Saskatchewan.
Brandon, Dauphin, The Pas and Winnipeg in Manitoba.
Fort Frances, Kenora and Port Arthur in Ontario.

"Quebec for Quebeckers"

Duplessis Outlines Programme to Develop Natural Resources for the Benefit of Whole Province—Invites Co-operation of Private Capital—Protect Small Investor

By JOHN E. LANGDON



PREMIER DUPLESSIS

QUEBEC CITY.—French Canadians have not had a square deal and in future Quebec's natural resources, which belong to the people, will be exploited for their benefit. This is the substance of the economic policy in process of formation by the Quebec Government as outlined in an exclusive interview given by Premier Maurice Duplessis to The Financial Post.

Broadly speaking the premier believes that he is achieving this end by replacing what he describes as the haphazard policy of the old régime with one of planned development aimed at benefitting the people as a whole rather than meeting the needs or desires of the individual. The main lines of attack contemplated might be summarized as follows:

1. The Government believes that privileges now enjoyed by utility companies have been abused and in the words of the premier that "certain things will have to be remedied." The first step in this direction has been taken in the legislation now before the Assembly. While the premier has given no indication of what other measures are in store, he does admit that privileges of the past will not be extended so freely to these companies.

2. Within the limits of the policy set down in the new Natural Resources Act the Government is ready not only to allow but to encourage development of natural resources by private capital.

3. The Government is contemplating revision of its system of taxation based on the findings of a commission of experts which will investigate municipal, provincial and federal taxation within the province.

Lack of Policy Blamed

For 40 years, Premier Duplessis contends, Quebec has been handicapped by a reactionary government which preferred to go along with the stream putting into effect those changes or reforms which political prudence demanded. Since the turn of the century, he says, other provinces have gone ahead developing their resources. While Quebec has shared in this growth he claims that from the hundreds of millions poured into the developing of her resources, the benefits to Quebec, as a whole, have been miserably meagre. Thus, he says, Quebec has looked over its borders and seen the sister provinces less abundantly provided with the riches of nature expanding more rapidly.

To the years of depression Premier Duplessis may well attribute the rise of his National Union party to power. In these years the great industries, built upon the resources of the province and the only means of livelihood for a very large percentage of the population outside of the urban centres, had to curtail activities. The result was disastrous; far more so than in other provinces. Community after community went bankrupt and in many cases the whole population of a town or county became charges of the Government.

Conditions were right for the breeding of discontent. The native Quebecker in ordinary circumstances is a thrifty, hardworking and conservative individual. Given a patch of ground, steady work and an income which will enable him to enjoy some of the luxuries of modern life, he is content with his lot and immune from social unrest. But with no means of a livelihood and with his back to the wall, he reacts like any other individual—ready to fight for his existence.

Passing of Seigneuries

Outside the province, few people understand the social and economic life of the Quebecker. For generations the French Canadian looked up to the seigneur as one who would look after him in good times and bad. The seigneur has passed out of the picture. His place has been taken by the large corporation which has taken over the exploitation of the province's natural resources on a scale far greater than prevailed under the seigneurial system. These corporations are not "soulless" or "bloodless." They have, in the main, recognized the responsibilities they assumed when they pre-empted the seigneur. But when bad times set in, the corporation had to think of its bondholders and shareholders; one a creditor and the other a partner. Many of them went beyond the bounds of prudence in providing work for their employees, knowing full well that if they closed down their plants a whole community, and all those depending upon the community for their livelihood, would become a public charge.

The depression is responsible for another of Quebec's basic troubles in that it brought about the breakdown of family fortunes. French Canadian wealth is in the land. Many of the prominent families, from whom the province draws its leaders in politics, the professions and business, have their capital invested in land and buildings.

In the past these properties brought in good revenues. When hard times set in, the income dwindled and dwindled. The heads of these old families were hard pressed. Their married sons and daughters needed money, but there was not sufficient income to go around. Their capital may run into several hundred thousands of dollars, yet the revenue is negligible. The cutting off of the income of the younger generation—the potential leaders—gave rise to the belief that the economic system was at fault and needed correction.

Birth of New Party

These younger French Canadians banded together under the banner of L'Action Libérale Nationale, and gave leadership in the fight against the old administration for reforms. The first problem was to secure support. Hence the raising of the race cry in the form of a nationalistic policy for French Canadians. This new party and its objectives attracted large numbers. The group was in part successful in the 1935 elections and linked up with the Conservative members under Maurice Duplessis, a young lawyer from Three Rivers, to form the opposition in the shortlived session of 1935. In the fall of that year the opposition forces, now known as the National Union Party, under the leadership of Duplessis, swept into power.

Before and during the election, voice was given to the feeling of dissatisfaction over the state of social and economic affairs in the province. The "power trust" was severely criticized. The lack of opportunity for French Canadians in business was discussed at almost every meeting. Foreign capital was the target for attack; in fact, every grievance, real or fancied, was aired. Some members of the Government party even went so far as to advocate a "French-Canadian Republic along the St. Lawrence."

It was in such an atmosphere that Hon. Maurice Duplessis came into power. Few of his followers had any parliamentary experience. What they lacked in this respect, they made up in enthusiasm for reform.

The New Broom

A thorough shake up of the civil service has been carried out since the change in government. Senior officials have "retired" to be replaced with National Union sympathizers. Scandals have been dug up for the edification of the Quebecker, who takes his politics seriously. Members of the new Government have made public statements as to what they are going to do now they are in power.

A small group of Duplessis supporters have broken away from the party to form an independent group, because the Prime Minister's policies were not as far-sweeping as had been expected. The power companies have been threatened inside and outside the provincial house. Threats of penalizing foreign capital have been made by the more extreme reformers.

So many contradictory reports have been and are coming out of Quebec that investors and businessmen are frankly disturbed. Corporations are not going to extend operations if legislation detrimental to their interests is likely to be passed. Investors are not going to provide capital for the development of Quebec's resources, or invest in its established enterprises, if they do not know just where they stand.

Natural Resources Act

The keystone of the Duplessis Government's policy rests on the recently enacted Natural Resources Act.

"The Act which we passed at this session will assure development of our resources for the people of the province," the premier stated. "We are not concerned with what has been done in the past, but with the future; what we should do and not what we can do."

The ways of the old régime, he declared, had been replaced by a planned development. Undoubtedly changes would have to be made to meet new conditions, but the National Union's programme called for directed development of the province's resources to benefit the people as a whole, rather than to meet the needs or desires of the individual.

The Premier's political opponents have been quick to accuse him of attempting to set himself as a dictator. Fascism and other advanced isms, however, are anathema to the National Union head. His plans might be described as a limited measure of socialism to meet the more pressing and peculiar needs of the province.

There is and will be no attempt to limit the activities of capital interested in developing but not exploiting Quebec's resources, he promises.

Invite Private Capital

The privileges which have been extended to private capital in the past, he admits, will not be so freely given, but this does not mean that capital will not be encouraged to invest in the province. On the contrary Quebec wants new capital and Premier Duplessis is willing to make concessions, as far as natural resources are concerned, if there is a compliance with the letter and spirit of the new régime's policy of Quebec for the Quebeckers.

It was pointed out to the Premier that a large number of investors, who had purchased the securities of Quebec public utilities, were disturbed at reports of proposed legislation directed against the utilities.

"Does the Government propose to take such action as might seriously jeopardize the position of these companies?" he was asked.

"There are certain abuses—abuses which have been going on for 30 or 40 years and these have to be corrected," he replied.

"But aren't some of those abuses due to the absence of a strong government policy in the past? Should the utilities be penalized because of this lack of regulations?"

"There have been and are abuses of their monopolies," he said. "Some companies (I do not need to mention names) have taken advantage to their privilege to do certain things which will have to be remedied."

Three Power Bills

It is now known that the Government intends to put through three pieces of legislation dealing with utilities during the present session. One has to do with the powers of a municipality to provide for its own electricity services. The others are broader and provide for regulation of operations and finances of the established companies and the third has to do with the proposed provincial hydro which, at the outset, will operate in areas not now served by the private companies.

While not giving any inkling as to what remedial measures he proposed to take, Premier Duplessis, at this point, likened the utilities to a man suffering from diabetes.

"For years," he said, "a man may keep on growing and developing. He feels in the best of health. Outwardly there is nothing wrong with him. But he has been living dangerously. Then he discovers he has diabetes. The doctor knows that he can cure him by an extended treatment of insulin. If he were given the treatment all at once, he would be killed. Instead, he is put on a diet, given small doses of insulin from time to time. He is kept in check. Eventually the disease may be cured. Some companies may not like the treatment, but it will be for their good."

Protect Small Investor

The discussion moved on to the now famous Bill No. 5, passed at the last session of the Legislature, and which limits the amount of bonds that can be sold to the value of immovables.

This legislation has not been popular with investment dealers. Nor have some companies favored it because they have had to change their plans for new capital issues because of this ruling.

"The Bill was designed for the protection of the man who wants to invest," the premier explained. "Too often in the past people were sold bonds, or other securities which they thought were bonds, and later discovered that there was no equity behind them. If a company wants to sell bonds in Quebec, it must have something tangible behind them.

"The share capital is different. Shares represent what? Money? Brains? Initiative? Risk of competition? If a man buys a bond he is going to be protected, but if he buys shares that is a different thing. We are not concerned with protecting the fool and his money."

It was suggested that corporations could easily circumvent this law by moving their head office to some other province.

This was not news to the Premier, who intimated that this side-stepping of the law might not prove very profitable to the companies concerned.

"Bill No. 5 was not for the past, but for the future," he continued. "If they want to exploit our resources, then they should do it under Quebec laws."

Change in Company Law

The talk on security sales led up to company law. There has been considerable discussion regarding the need of uniformity of company laws as between the provinces and the Dominion. In some quarters it has been suggested that all companies should be incorporated with a federal charter.

Asked if the Quebec Act was going to be amended along the lines of the Dominion Act, the Premier said company laws were a matter of the province's own regard. Changes are planned, some may be far reaching, but there will be no bill at this session.

The large deficit budgeted by the provincial treasurer for the next fiscal year, implies an increase in taxation for Quebec business.

"We do not plan to raise taxes," said M. Duplessis, in commenting on this suggestion.

However, Quebec is to have a commission to study the tax structure of the municipalities, school commissions and province, and federal taxation as it affects these bodies. A bill to this effect has already been introduced in the legislature. Leading British economic and financial experts will take part in the investigation.

Provincial Taxation

"Dominion taxation is unlimited," the Premier said in enlarging on this subject. "Therefore responsibility should be unlimited. The provinces' taxation is limited; responsibilities should be limited.

"Unemployment relief should be taken care of by the Dominion. The provinces cannot control the movement of unemployed from one part of the country to another. It is a federal matter. If we have to accept the responsibility for unemployment then we should have more federal 'blood.' The subsidy is inadequate and we should get a larger grant from the Dominion as I suggested at the last provincial conference."

These are a few of the more urgent matters which are engaging the attention of the Duplessis Government. The conditions which have brought about the political upheaval in Quebec are not going to endanger the relations between the province and the Dominion. Nor are they going to be remedied overnight. The recovery of business will automatically cancel many problems, while others will be solved by firmer governmental administration.

What the Government aims to do is best described in the Premier's own words: "Give a man work; a good home; security and the opportunity to save a little money."

English Electric Moves Office From Quebec

Head office of English Electric Co. of Canada will be St. Catharines, Ont,. hereafter instead of Montreal, it was decided at the recent annual meeting.

President D. H. McDougall explained that the move would be advantageous because of new tax laws in the Province of Quebec. The changes provide for separate taxation of investment income. Formerly any operating losses were allowed to be offset against the investment income. The company's revenue comes largely from its investments and from dividends paid by the operating subsidiary, Canadian Crocker-Wheeler Co.

Mr. McDougall also informed the meeting that the $400,000 proceeds of sale of an additional 10,000 shares of class A and 10,000 shares of class B stock would be used to finance improvements in equipment and plant extensions.

Reserve Ruling On Beauharnois

Ontario Court of Appeal Concludes Hearing of Contract Case

Judgment has been reserved by the Ontario Court of Appeal on the appeal of the Hydro-Electric Power Commission of Ontario of a previous judgment in favor of Beauharnois Light, Heat and Power Co.

The company's contract with the Hydro was declared binding by Chief Justice H. E. Rose in an earlier judgment. The decision was appealed by the Ontario Hydro. Hearings before the Appeal Court were completed a few days ago.

Pros and Cons

W. N. Tilley, K.C., counsel for the power company, attacked the legislation passed in 1935 by the Ontario Government cancelling the company's contract. He also attacked legislation passed in 1937 concerning the right of litigation against the Ontario Hydro Commission.

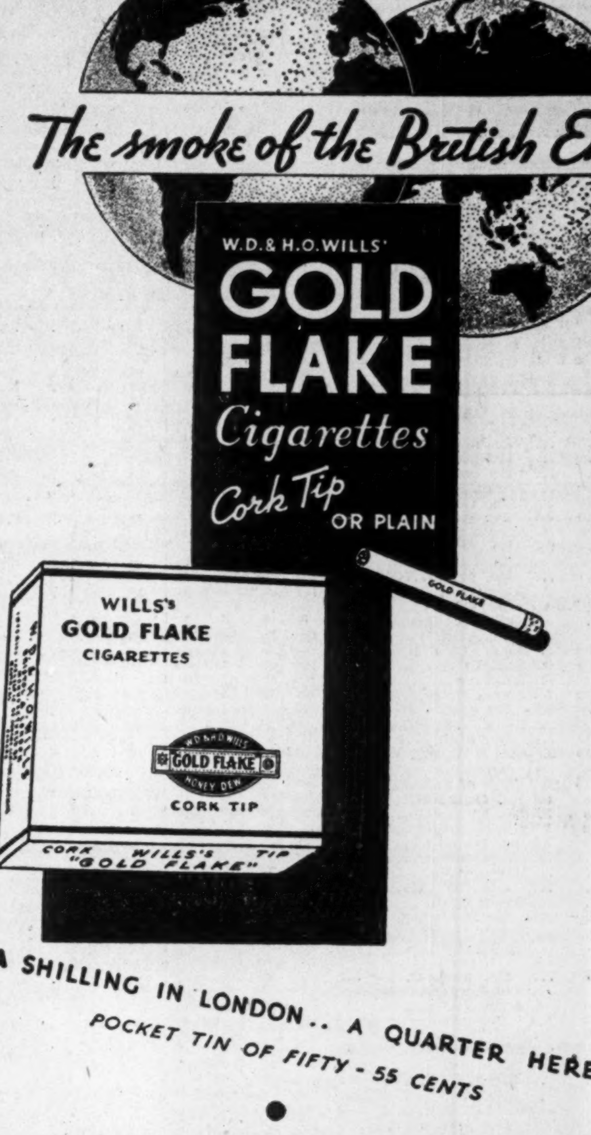
R. S. Robertson, K.C., counsel for the Power Commission, suggested there was a distinction between the Hydro's contract with the Ottawa Valley Power Co., which was upheld on appeal, and that with the Beauharnois firm. The Ottawa Valley contract was subject to payment in Quebec, but the Beauharnois contract was made in Ontario and payments were to be made in Ontario, he said. This, he claimed, gave Ontario jurisdiction over the Beauharnois contract.

Brown Corp. to Enlarge Pulp Mill at La Tuque

From Our Own Correspondent

MONTREAL.—Brown Corp. will build an addition to its pulp mill in La Tuque, P.Q. Construction of an $85,000 reservoir for acids also will start soon.

Beyond the bare announcement of these additions, no particulars are available as to the expansion programme.


The smoke of the British Empire
W.D.& H.O.WILLS'
GOLD FLAKE
Cigarettes
Cork Tip OR PLAIN
WILLS's GOLD FLAKE CIGARETTES
GOLD FLAKE
CORK TIP
CORK WILLS'S TIP "GOLD FLAKE"
A SHILLING IN LONDON .. A QUARTER HERE
POCKET TIN OF FIFTY - 55 CENTS

Montreal Tramways Company

ANNUAL REPORT

For the Fiscal Year Ended December 31st, 1936

Report of the President and Directors

FOR THE YEAR ENDED DECEMBER 31st, 1936

To the Shareholders:

Your Directors herewith submit their Annual Report for the year 1936.

Operations under the Contract with the City of Montreal show the following results.

Gross Revenues:		
Car Earnings	$10,774,144.31	
Autobus Earnings	1,504,534.64	
Miscellaneous Earnings	218,151.13	
		$12,496,830.08
Disposition of Revenues:		
Tramways Operation, including Taxes		$ 5,948,547.72
Autobus Operation and Depreciation		1,281,631.38
Maintenance and Renewals Allowance:		
Expended	$ 1,670,108.89	
To Maintenance and Renewals Reserve	143,296.99	
		1,813,405.88
To the Company:		
Operating Profit	$ 69,108.00	
Return upon Capital Value, 6% on $36,133,859.00	2,168,708.09	
Return upon additional Capital Expenditures ($16,777,295.89) since basic appraisal under the Contract	1,022,646.39	
Return on Autobus Investment	120,407.87	
Return on Working Capital	1,408.88	
		3,382,279.23
Balance		70,965.87
		$12,496,830.08

Balance as above	$ 70,965.87	
Recovered from Contingent Reserve	9,000.00	
		$ 79,965.87
Reserve for Financing	$ 181,431.47	
Less due but unpaid	101,465.60	
		79,965.87

Operations of the Company

FOR THE YEAR ENDED DECEMBER 31st, 1936

Revenues:		
Under Contract		$ 3,382,279.23
Other Revenue		95,915.23
		$ 3,478,194.46
Disposition of Revenues:		
Interest on Bonds	$ 2,399,377.61	
Foreign Exchange	33,285.56	
Other Expenses	9,558.67	
Reserve for Depreciation	400,000.00	
		2,842,221.84
Balance		$ 635,972.62
Less Dividends		630,000.00
Surplus		$ 5,972.62
Surplus and Reserve Brought Forward December 31, 1935		4,298,629.26
		4,304,601.88
Additional Reserve for Depreciation		600,000.00
Surplus as per Balance Sheet		$ 3,704,601.88

FINANCIAL

The Gross Revenues for the year applied under the existing Contract with the City of Montreal were sufficient to cover Operating Expenses and Taxes, Maintenance and Renewals, and to provide the Company with the stipulated return of 6% on ascertained Capital Values, together with $79,965.87 out of the total of $181,431.47 referred to in the Contract under the heading of "Financing Allowance." At the end of 1935 an amount of $240,978.42 was shown as accumulated arrears on this account. To this amount must now be added the deficiency of 1936 as above noted, making the total of $342,444.02 as shown on the Balance Sheet.

The number of Revenue Passengers for 1936 was as follows:

	TRAMWAYS	AUTOBUS	TOTAL
Revenue Passengers, 1936	176,491,538	22,135,369	198,626,907
Revenue Passengers, 1935	175,114,739	20,776,032	195,890,771
Increase	1,376,799	1,359,337	2,736,136
Increase per centum	.79%	6.54%	1.40%
Miles operated are as follows:			
1936	25,695,173	5,926,951	31,622,124
1935	25,405,787	5,757,230	31,163,017
Increase	289,386	169,721	459,107
Increase per centum	1.14%	2.95%	1.47%

As above indicated the increase in Revenue Passengers as compared with the year 1935 was 1.40%. The increase in Gross Passenger Receipts was 1.38%.

PROPERTY

During the year the Company erected a modern garage on Mount Royal Avenue at a cost of $65,675.06. This garage will house and service forty buses.

Extensive alterations were carried out at the St. Henry Garage, including the installation of additional pits.

A new fully automatic Mercury Arc Rectifier Substation was erected at Ahuntsic at a cost of $94,692.21.

Under instructions from the Montreal Tramways Commission the Company removed 12.84 miles of track on Broadway Avenue and Notre Dame Street in Montreal East and Pointe-aux-Trembles. Bus service was provided in replacement of such tramways service.

A contract has been entered into for the erection of a combined Waiting Room and Garage on George V Street at an estimated cost of $60,000.00.

Reconstruction of tracks was carried out on Ontario Street between St. Lawrence Boulevard and Sanguinet Street; on Ontario Street between Letourneux Street and Viau Street; on Notre Dame Street between St. Helen and Place d'Armes; on Viau Street from Ontario to St. Catherine Street; and on Cote des Neiges from Cedar Avenue to Westmount Boulevard. In all the Company has reconstructed 3.96 miles of track during the year.

Extensive tie renewals were made on Lachine, Back River and Cartierville lines.

Abandoned tracks were removed on Lasalle Avenue, Rouen Street, Bourbonniere Street and Aird Avenue.

As a result of all the changes above noted, there has been a reduction in single track mileage of 17.27 miles.

FARES

No change in fare was made during the year. The average fare was 6.10 cents, being 1.73 cents less than the average fare in effect in ninety cities on this continent with a population of over 100,000.

ROLLING STOCK

The Company purchased twenty-seven (27) gas buses of the new transit type at a cost of $348,682.89. All rolling stock of the Company has been adequately maintained—a total of 496 cars and buses having been overhauled and reconditioned. The seven trolley buses purchased by the Company during the year will be delivered early in 1937 and will be put into operation on Beaubien Street.

TAXES AND SNOW REMOVAL

During the year the Company paid as follows:

To the City of Montreal:		
Snow Removal	$ 282,540.43	
Taxes	487,837.00	
		$ 770,377.43
To the Cities of Westmount and Outremont and to other Municipalities:		
Snow Removal	$ 43,195.63	
Taxes	19,461.98	
		62,657.61
To the Federal Government:		
Income Tax, etc.		38,962.14
To the Provincial Government:		
Taxes, including Gasoline and Income Tax		103,633.57
		$ 975,630.75

The Company has paid to the City of Montreal, from 1918 to December 31st, 1936, the following amounts:

For Snow Removal	$ 3,899,374.24	
For Annual Rental	7,942,694.05	
For Taxes	6,537,376.86	
		$18,379,445.15
Expended by the Company for Maintenance of Street Pavement		3,318,117.00
		$21,697,562.15

Your Company was greatly pleased to win the "Special Certificate of Merit" awarded by the "Transit Journal" for 1936. This award is sponsored by the American Transit Association and is given to the companies which contribute most largely to improvements in maintenance practices during the year.

Your Directors regret to record the death during the year of Colonel James E. Hutcheson who, in 1911, was appointed General Manager of the Company, later becoming Vice-President and Managing Director, and who retired in February, 1935; and also the death of Mr. Christie M. Shaw, Superintendent of Transportation for the last twelve years.

Your Directors wish to place on record their appreciation of the faithful and efficient service of the officers and employees of the Company during the past year.

Submitted on behalf of the Board of Directors.

JULIAN C. SMITH,
President.

General Balance Sheet

AS ON DECEMBER 31st, 1936

ASSETS

Property and Equipment as on December 31, 1917	$41,413,395.75	
Less Reserve for Depreciation	2,000,000.00	
	$39,413,395.75	
Net Additions January 1st, 1918, to Dec. 31st, 1936	19,039,567.85	
		$58,452,963.60
Investment for account of Guarantee Fund		500,000.00
Securities (including Company's own Bonds and Shares of Subsidiary and Associated Companies)		2,632,099.09
Cash in Bank and on Hand		220,442.44
Call Loans		1,325,000.00
Accounts Receivable		53,949.66
Prepaid Charges		52,245.71
Stores		370,983.22
Balance due Company under Contract on account Financing Allowance years ended December 31st, 1934, 1935 and 1936		342,444.02
		$63,950,127.74

Verified in accordance with our Report of this date.

SHARP, MILNE & COMPANY, C.A.,
Montreal, February 27th, 1937 *Auditors.*

LIABILITIES

Capital Stock "Common" (70,000 shares of $100.00 par value)				$ 7,000,000.00
First and Refunding Mortgage 5% Gold Bonds, due 1941:				
Authorized	$25,000,000.00			
Less:				
Bonds delivered Trustee to be held as additional security for General and Refunding Mortgage Bonds	$ 2,260,000.00			
Unissued Bonds	1,389,000.00			
		3,649,000.00		
			$21,351,000.00	
General and Refunding Mortgage Sinking Fund Gold Bonds, due 1955: (Authorized $100,000,000.00)				
Series "A", 5%		$17,826,500.00		
Series "B", 5%		2,600,000.00		
Series "C", 4½%		2,500,000.00		
Series "D", 5%		5,000,000.00		
		$27,926,500.00		
Less: Redeemed by Sinking Fund		955,800.00		
			26,970,700.00	
				48,321,700.00
Series "E", 5% Bonds		$ 2,000,000.00		
Less: Redeemed by Sinking Fund		107,800.00		
In Treasury		$ 1,892,200.00		
Accounts and Wages Payable				479,797.90
Accrued Interest (Payable in U.S. Dollars and Sterling)				334,269.12
Employees' Security Deposits				25,782.94
Dividend payable January 15th, 1937				157,500.00
Suspense Account (including reserve for taxes and foreign exchange)				612,247.83
Reserves in accordance with Provisions of Contract:				
Maintenance and Renewals Reserve			$ 500,564.26	
Contingent Reserve			300,000.00	
Depreciation Reserve, Autobus			709,810.72	
				1,510,374.98
Reserves for Company's Account:				
Reserve for Financing			$ 1,303,853.09	
Reserve for Redemption of Unpresented Tickets			500,000.00	
				1,803,853.09
Surplus				3,704,601.88
				$63,950,127.74

Approved on behalf of the Directors:
WM. C. FINLEY
GORDON W. MACDOUGALL

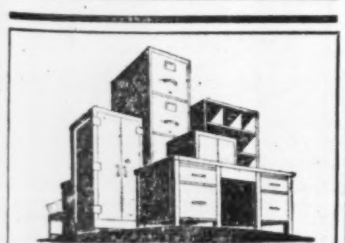
Certified Correct:
A. A. BOIRE,
Chief Accountant.

TRANSFER AGENT

This institution is fully equipped to render a complete service as Trustee, Registrar, Transfer Agent, Agent under Escrow or Pooling Agreement, etc.

Should you desire to use any of these services, we would be pleased to discuss them with you.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager



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This Bank recently held its 81st annual meeting. We offer this eighty-one years of experience to progressive Canadian business firms and individuals who require Bank Credit in keeping with accepted banking principles. We will be glad to discuss your requirements.

THE BANK OF TORONTO
Incorporated 1855

BT137

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

Range 1937 High	Low	Div Rate $	May 1 Y'ld %		Sales	Last Apr. 26	Week end. May 3 H	L	Cl'se
				A					
15½	6¼	.	...	Abitibi	39245	9⅛	10⅜	8⅛	9⅜
80	41½	.	...	Do. pref. 6%	9485	62	65¾	56½	64
97	60	.	...	Do. pref. 7%	55	95	95	90	90
79½	41	.	...	Do. cert. dep.	16	71	64	58	64
6¾	4¼	10c	...	Acadia Sugar	25	5¼	4¾	4¾	4¾
18½	9½	50c	5.3	Acme Glove	50	9½	9½	9½	9½
94	75	6.50	8.7	Do. pref.	....	(— bid 8.5 asked)			
12	8½	40c	4	Agnew Surp.	130	10	10	10	10
110	106	7	6.6	Do. pref.	1	106	106	106	106
7	4½	.	...	Alta. Pac. Gr.	345	5¾	5¾	5½	5½
43½	28	.	...	Do. pref.	175	34¾	34½	32½	34½
135	116	.	...	Aluminum	....	(107 bid 110 asked)			
130	130	6+3.75▲	.	Do. 6% pref.	....	(130 Mar. 19)			
7	5	.	...	Amal. Electric	20	6	5	5	5
31	26	.	...	Do. pref.	15	29	26	26	26
35⅜	30½	15c	...	Amer. Cyn. B.	....	(— bid 40 asked)			
55	53	3.50	6.6	Ang. C. Tel. p.	....	(54 bid — asked)			
122½	80	.	...	Asbestos	4667	93½	95	82	89
16	11	80c	5.7	Assoc. Brew.	585	15	15	13¾	14
110½	106	7	6.3	Do. pref.	....	(110 bid — asked)			
6½	6½	.	...	Assoc. T. & T.A.	....	(— bid 8 asked)			
57	51	42c	...	Do. pref.	....	(— bid 51 asked)			
102½	100½	5.50	5.5	Ault & Wiborg p	....	(— bid 100 asked)			
				B					
60	57	2.25	3.9	Bank of Canada	104	58	59	58	59
158½	143	8	5.1	Bk. Can. Nat.	17	158½	158	158	158
245	219	8	3.5	Bk. Montreal	103	235	235	228	230
340	312	12	3.8	Bk. N. Scotia	4	332	332	315	315
273	246	10	3.8	Bk. Toronto	20	257½	260	255	260
8	7½	.	...	Barcelona	10	8	7½	7½	7½
24¾	17	.	...	Bathurst Pr.	9415	18¾	20	17	19
12½	6¾	.	...	Do. (B)	3370	9½	10	9	10
5¾	3	.	...	Bawlf Grain	295	4½	4	3½	3½
38	25	.	...	Do. pref.	30	36	35	34	34
10	4¾	.	...	Beath & Sons	....	(4¾ bid 7 asked)			
21½	14¾	.	...	Beatty Bros. A.	55	15½	16	14¾	14¾
112	100	6	5.4	Do. pref.	15	112	110½	107½	110½
102	102	7	...	Do. pref. B.	....	102½ bid 105 asked			
10	6½		...	Beauharnois	2605	7½	7½	7	7½
107	100	4	4	Belding Cort.	....	(— bid 107 asked)			
130	126	7	5.4	Do. pref.	....	(130 bid — asked)			
178	154	6	3.8	Bell Telephone	620	160½	161	154	158
16½	11½	2+50c	..	Biltmore Hats	160	12½	12½	12	12½
110	109½	7	6.4	Do. pref.	....	(109 bid — asked)			
13	8½	.	...	Bissell, T. E.	....	(7 bid 15 asked)			
65	45	.	...	Do. pref.	....	(60 bid 69 asked)			
6¾	4	.	...	Blue Ribbon	....	(4½ bid 5 asked)			
40	35	2	5.3	Do. pref.	15	37½	38	33	38
29¾	24¾	65c	...	Brant. Cord. pf.	30	24¾	25½	25	25½
30½	18	40c	...	Brazilian Tr.	106161	22¾	23½	18	21¾
9½	6	1.40+10c	.	Brew. & Distil	204	8½	8½	7	7
4	2¾		...	Brewing Corp.	1655	2¾	3	2½	3
20¾	14½	1.50	8.2	Do. pref.	1010	18½	19	17	18¾
6½	6	30c	...	Bright, T. G.	....	(6½ bid — asked)			
†82	75½	6		Do. pref.	....	(74 bid — asked)			
26½	21¾	1+20c	5.2	Brit. Amer. Oil	8503	23½	23½	21¾	23
22	16		...	B. C. Packers	764	21	21	19	20
39½	35	1.80	5	B. C. Power A.	443	36½	36½	35	36
11½	7½	.	...	Do. (B)	85	8	7½	7½	7½
12	6¾	40c	5.9	Bruck S. Mills	802	7½	7½	6¾	7
74½	56½	1.40+50c	.	Building Prod.	1162	65	65	60	60
18	15½	.	...	Burlington Steel	880	16	16½	15½	15½
8	5	.	...	Burry Biscuit	203	6½	5	5	5
60	50	3	6	Do. pref.	....	(— bid 60 asked)			
44½	39½	2	4.9	Burt, F. N.	316	41	41	39½	40
				C					
105	100	.	...	Calgary Power	....	(100 Apr. 8)			
92	79	6	6.7	Do. pref.	25	91½	90	89	89
10½	7	.	...	Canada Bread	300	7½	7½	7	7½
103½	99¾	5	5	Do. pref.	20	100	100	100	100
59½	51½	.	...	Do. pref. B	20	56	53½	53½	53½
10½	8½	.	...	Canada Bud	210	9	8¾	8½	8½
23	15½	.	...	Canada Cement	6657	16½	18	15¾	17½
111	100	1	...	Do. pref.	618	106	106	100	103½
73½	60	1.50+2	..	C. & D. Sugar	120	66	63¾	60	63¾
b38½	25½	.	...	Canada Dry	13500	28¾	29¾	25½	28¾
20¾	16	.	...	Can. Forg. (A)	85	17½	17	16	16
17	14	.	...	Do. (B)	25	16½	16½	16½	16½
31	30	.	...	Can. Iron	....	(34 bid — asked)			
72	66½	5	7.2	Do. pref.	....	(74 bid — asked)			
39	34	1.50+50	..	Can. Malting	1618	38	38	37	38
29½	22	1.20	5.3	Can. Nor. Pr.	395	22½	23	22	22
112	109	7	6.4	Do. pref.	37	109	110	109	110
98	84	3	3.6	Can. Packers	355	86	87	84	84
†118	105	.	...	Can. Paper, pf.	....	(112½ bid — asked)			
7	1¾	.	...	Can. Paving, pf.	....	(2½ bid 2¾ asked)			
156	146	8	5.3	Can. Perman.	13	150	151	149	151
25	25	.	...	Can. Starch	....	(25 Jan. 30)			
105	105	7	6.7	Do. pref.	....	(105 bid — asked)			
4	2½	.	...	Can. Steamsh's	....	(3 bid 3½ asked)			
7	5½	.	...	Do. new	185	6½	6½	6	6
10	6¾	.	...	Do. pref.	580	7½	7½	6¾	7
18½	14½	.	...	Do. pref. new	305	16	16	15¾	16
21	18¾	1.20	6.3	Can. Vinegars	10	19	19	19	19
75	56	.	...	Can. W. Cable	....	(58 bid 67 asked)			
31	19	.	...	Do. (B)	275	28	28	25	27
118	114	2▲	...	Do. pref.	....	(— bid 21 asked)			
6	4	.	...	Can. Bakeries	....	(4 bid 5 asked)			
73	60	.	...	Do. pref.	10	64	60	60	60
211	183	8	4.1	Can. Bk. Com.	173	199	199	193	196
61½	48	1.50+75c	.	Can. Bronze	70	50	50	48	48
110	105½	5	4.7	Do. pref.	....	(106 bid — asked)			
9½	7½	.	...	Can. Canners	355	8	8½	8	8
20½	18½	25c	...	Do. 1st pfd.	....	(19 bid 19½ asked)			
12½	10	.	...	Do. 2nd pfd.	2475	10	11	10½	10½
21¾	13½	.	...	Can. Car. & F'y	6635	16	16¾	13½	15¾
32	23	.	...	Do. pref.	2600	25½	26	23	24½
31	24	1.60	6	Can. Celanese	1800	26	26½	24	26
128	121	7	5.8	Do. pref.	125	121	121½	121	121½
22	21	.	...	Do. rights	....	(22 bid 23 asked)			
32	28	2	6.9	Can. Convert.	....	(— bid 29½ asked)			
80	65½	4	5	Can. Cottons	....	(82 bid — asked)			
108	105	6	5.7	Do. pref.	10	105	105	105	105
47	38	2+1	7.8	Can. Dredge	655	39½	39	38	38
101	101	6	5.9	Can. Fairb. p.	....	(101 bid — asked)			
33	23	1.60+40c		Can. For. Inv.	485	25½	29	25½	28½
107	105	8	7.5	Do. pref.	....	(105 bid — asked)			
240	207	6	2.8	Can. Gen. Elec.	57	215	212½	207	207
12	9¾	50c	...	Can. G. Inv.	50	10¾	11	10½	11
81½	71	.	...	Can. Hyd. E. p.	1170	76	75½	71	73
8½	4¾	.	...	Can. Ind. Alc.	7575	5¾	5¾	4¾	5½
7¾	4½	.	...	Do. (B)	773	5	5	4½	5
249	240	3.50	...	Can. Indust. B.	....	(— bid 255 asked)			
160	153	7	...	Do. pref.	....	(160 Apr. 13)			
5	2½	.	...	Can. Int. I. Tr.	120	2¾	3¾	3¾	3¾
99	92	2.50	...	Do. pref.	....	(— bid 99 asked)			
21	19	.	...	Can. Lt. & Pr.	....	(— bid 20 asked)			
23½	14¾	.	...	Can. Locomo.	205	16	16	14¾	14¾
3¾	1¾	.	...	Can. Marconi	6495	2	2½	1¾	1¾
19	11	50c	4.5	Can. Oil	....	(11¾ bid 14½ asked)			
135	115	8	6.7	Do. pref.	46	120	120	115	119
17½	12	.	...	Can. Pacific	12897	12¾	13½	12	13½
7½	3	.	...	C. Pr. & Pa. In.	110	3½	3	3	3
27½	18	.	...	Do. pref.	65	20	18	18	18
16	9	.	...	Can. Vickers	675	11	10½	9	10
65	41	.	...	Do. pref.	55	48½	48	47	47
25	25	.	...	C. Wallpaper A.	....	(20 bid 25 asked)			
27½	25	.	...	Do. (B)	....	(24 bid 25 asked)			
†80½	64	2	...	Can. West'ho'se	....	(65 Dec. 5, '36)			
4	1¾	.	...	Can. Wineries	455	2	2½	1¾	2½
25	22	1.50	...	Can. Wire Box	....	(22 bid 23 asked)			
9½	7½	.	...	Capital Estates	713	8	8	8	8
107	102	5	4.9	Carnation, pfd.	10	102	102	102	102
11½	6¾	.	...	Catelli Food	4	8	9½	9½	9½
11½	10	75c	...	Do. pref.	150	11	11	11	11
3	1½	.	...	Celtic Knit	50	2	3	3	3
165	150	8	...	Cent. Can. L'n.	....	160½ bid 190 asked			
1.44	.75	.	...	Chem. Research	60	.80	.80	.75	.75
2.50	1.00	.	...	City Gas & El.	250	1.00	1.00	1.00	1.00
.80	.35	.	...	Claude Neon	900	.35	.40	.35	.35
14½	12½	1.08	..	Coast Brew.	....	(12 bid 13 asked)			
22½	14½	.	...	Cockshutt Plow.	2800	17	18	15	18
4	1¾	.	...	Comm. Alcohol.	2505	2½	2½	1¾	2½
4¾	3½	.	...	Do. pref.	1135	3¾	3¾	3¾	3¾
1.00	1.00	.	...	Do. Rights	230	1.60	1.75	1.75	1.75
23	20	$1+20c	..	Cons. Bakeries	1546	21	21	20½	21
24½	10¾	.	...	Cons. Paper	31583	18	18¾	15	17½
20½	12½	25c	...	Cons. Press.	20	20	17½	17	17
60	47	.	...	Cons. Sand, pf.	....	(47 bid — asked)			
100½	72	1+1	.	Cons. Smelters	20281	79	80½	72	80½
211	201	10	4.9	Consumers' Gas	197	205	204¾	204	204½
95½	89	7	7.4	Corr. P. Box, p.	10	93	95	95	95
27½	23	1	4.2	Cosmos Imp.	165	25	23¾	23	23½
105½	104½	5	4.8	Do. pref.	....	(103½ bid — asked)			
23	18	80c	4.2	Crown Cork	85	20	20	19	19
2½	1½	.	...	Crown Dom. Oil	....	(2 bid 2½ asked)			
50	41	3	...	Crow's N. Coal	70	42	44½	42	44½
				D					
5¾	4	.	...	David & Fre. A	....	(3½ bid 5 asked)			
†1½	½	.	...	Do. (B)	....	(— bid 1 asked)			
22½	15	.	...	De Havilland	60	18½	20	17	20
82	67	.	...	Do. pref.	10	72	70	70	70
10	5	.	...	Disher Steel	....	(7 bid 9 asked)			
18¾	15½	.	...	Do. pref.	....	(17 bid 18 asked)			
29	20	.	...	Distill-Seagram.	4180	21¾	22	20	21½
94½	92½	5	...	Do. pref.	....	(— bid 99½ asked)			
..	..	.	...	Dom. Ang. Inv.	....	(90 bid — asked)			
95	95	.	...	Do. pref.	....	(90 bid 100 asked)			
[illegible]	230	10	4.3	Dom. Bank	37	239	230	230	230
[illegible]	48¾	1.20	2.2	Dom. Bridge	3195	54½	54	48¾	51½
[illegible]	19¾	1.50	7.5	Dom. Coal, pf.	2275	21	21	19¾	21
[illegible]	59	.	...	Dom. Engineer	171	64¾	63½	59	59
[illegible]	30	.	...	Dom. Foundries	171	31½	31	30½	31
[illegible]	110	5	4.5	Dom. Glass	20	117	112	112	112
[illegible]	140	7	4.8	Do. pref.	....	145½ bid 150 asked			
[illegible]	.10	.	...	Dom. Motors	....	(— bid .10 asked)			
[illegible]	40	.	...	Dom. Oilcloth	....	(38 bid — asked)			
[illegible]	95	7	...	Dom. Rubber, p	....	(105 bid — asked)			
[illegible]	4	.	...	Dom. Scottish	....	(4 bid — asked)			
[illegible]	42	.	...	Do. pref.	20	42	43½	43½	43½
[illegible]	12½	.	...	Dom. St. & C.B.	49616	18¾	20½	15¾	19½
[illegible]	9¾	.	...	Dom. Stores	940	11	11	10½	10½
[illegible]	13	.	...	Dom. Tar & Ch.	655	15½	15½	13	15
[illegible]	107	.	...	Do. pref.	100	109½	110	107	107
[illegible]	72	5	6.2	Dom. Textile	183	80	81	78	81
[illegible]	142	7	4.7	Do. pref.	....	143½ bid 160 asked			
[illegible]	13½	.	...	Donnacona P.A.	4587	15½	15¾	13½	14¾
[illegible]	13½	.	...	Do. (B)	2965	15	15½	13½	14½
[illegible]	13½	.	...	Dryden Paper	1940	16	15½	14	15½
				E					
[illegible]	2	.	...	East. Koot. Pr.	100	5	2	2	2
[illegible]	14	.	...	Do. pref.	....	(12½ bid 16 asked)			
[illegible]	2½	.	...	East. Dairies	40	2½	2¾	2¾	2¾
[illegible]	15	.	...	Do. pref.	100	16½	16	15	15
[illegible]	19	.	...	East. Steel	140	20	20	19	20
[illegible]	106	7	6.4	Do. pref.	....	(106 bid 109 asked)			
[illegible]	72¾	7	...	East. Theat., pf.	....	(60 bid 70 asked)			
[illegible]	4½	.	...	Easy Washing	95	6½	6	5½	5½
[illegible]	34	1.37½	...	Economic Inv.	....	[illegible]			
[illegible]	[illegible]	[illegible]	...	Electrolux	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Enam. & Heat.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Equitable Life	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	European El.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
				F					
[illegible]	[illegible]	.	...	Fairchild Air	1280	9½	9½	8½	9
35	24	.	...	Fam. Players	27	31	30	30	30
34	29	.	...	Do. Vot. Tr.	....	(— bid 35 asked)			
24½	19	25c	...	Fanny Farmer	3520	21	21½	19	21
29¾	22½	1	3.9	Ford Motors A.	5610	23	25½	22½	25½
2½	1	.	...	For. Pr. Secs.	....	(1½ bid 1½ asked)			
31	23	.	...	Foundation Co.	2245	26	26½	23	26½
50	29	.	...	Fraser Cos.	1173	40½	40	35¾	40
50	29½	.	...	Do. Vot. Tr.	15420	39	41	34	40
52	45	.	...	Freiman, pf.	9	48½	48½	48½	48½
11	6	.	...	Frost Steel	85	7	7	6¾	7
107	100½	7	6.6	Do. pref.	10	105	105¾	105¾	105¾
48	40	.	...	Do. pref. A.	10	40	45½	45½	45½
				G					
18½	6	.	...	Gen. St. Wares.	4630	15½	16	13	14¾
110	76	.	...	Do. pref.	655	103	103	99	99½
92½	82	2.50+2.50		Goodyear Tire	177	84	85	82	82
57	53	2.50	4.6	Do. pref.	128	54½	55	53½	54
26¾	13½	.	...	Gt. Lakes Pap.	1119	19	20	17	20
51	33	.	...	Do. pref.	1370	42½	42½	35	40½
3½	1½	.	...	Gt. W. Saddlery	115	2¾	2½	2	2½
40	29½	.	...	Do. pref.	....	(30 bid 35 asked)			
15½	7½	.	...	Gurd, Chas.	430	11	10	9	10
101	95	7	7	Do. pref.	....	(100 bid — asked)			
18½	13¾	.	...	Gypsum, Lime.	5455	15½	16	13¾	15¾
				H					
18½	12¾	.	...	Ham. Bridge	1563	16	16½	13½	16
90¾	63	.	...	Do. pref.	130	86	83	80	80
40½	30	2+40c▲	4.9	Ham. Cot., pf.	....	(26 bid 39 asked)			
3¾	2	.	...	Ham. U. Theat.	255	2½	2½	2	2
69	58¾	5	8.3	Do. pref.	....	65 bid — asked)			
7	4½	10c	...	Harding Carpet	735	5	5	5	5
5	5	.	...	Hillcrest Coll.	....	(— bid 6 asked)			
25	15	.	...	Do. pref.	5	25	25	25	25
22½	19¾	1	5	Hinde & Dauch	640	20½	21	19¾	21
18	14	.	...	Holt Renfrew	....	(14 bid — asked)			
74	56	.	...	Do. pref.	....	(65 bid 82 asked)			
1.75	.60	.	...	Honey Dew	280	.80	.80	.75	.80
15	12	.	...	Do. pref.	25	15	15	15	15
34½	18½	.	...	H. Smith Pap.	3260	28	28½	24¾	27½
105	99½	6	5.9	Do. pref.	531	100	102	99½	102
32½	32	2	6.2	Humberstone S.	....	(30½ bid 32 asked)			
19	11¾	.	...	Hunts (A)	....	(14 bid 16½ asked)			
18	12	.	...	Do. (B)	....	(14 bid 17 asked)			
90	72	5	5.9	Huron & E. Mt.	5	85	85	85	85
15½	11	.	...	Do. 20% pd.	50	14¾	14¾	14¾	14¾
13½	8¾	20c	...	Hydro Elec. Sec.	....	(9 bid 10 asked)			
				I					
251½	231	10	4.2	Imperial Bank	118	233	238	235	236
24¾	20	50+75c	5.6	Imperial Oil	23268	21½	22½	20	21¾
15½	13¾	40+22½c		Imperial Tob.	2494	14½	14¾	14	14½
7¾	7	6%	...	Do. pref.	....	(7½ bid — asked)			
38¾	33	.	...	Indust. Accept.	240	36	36	34½	34½
39½	37½	2	...	Inter-City Bak.	....	(— bid 38 asked)			
40	40	4+2	...	Inter'c Coal	....	(40 Apr. 21)			
130	130	8	...	Do. pref.	....	(130 Mar. 10)			
†.20	.20	.	...	Int. Coal & C.	....	(.10 bid — asked)			
b16¾	8¾	.	...	Int. Hyd. E. A.	17100	9¾	10¾	9¾	10¾
18½	12¾	.	...	Int. Metal Ind.	468	14½	14½	12¾	13
108	90½	.	...	Do. pref.	165	101	100¾	97¾	99
105	99½	5	5	Int. Mill., pf.	40	101	102	99¾	99¾
73½	54	2	3.3	Int. Nickel	74211	58½	60¾	54	60½
11	6½		...	Int. Paints	30	8½	7½	7½	7½
20	18	75c	...	Do. pref.	45	18	18½	18	18½
b24¾	16½	.	...	Int. Pa. & P. A.	17800	18½	19¾	17½	18½
b18	10¾	.	...	Do. (B)	9400	12½	14¾	12½	14½
b9½	5¾	.	...	Do. (C)	23700	6¾	7¾	6¾	7¾
b121¾	90½	.	...	Do. pref.	29900	98	108¾	98	107
39¾	33½	1.50+1	7	Int. Pete.	13623	35½	35¾	33½	35½
12½	5		...	Int. Power	35	8	7	6½	7
98	89½	6	6.7	Do. pref.	85	93½	93	90	90
†15½	13	.	...	Int. St. Rly. A.	....	(— bid 15½ asked)			
21½	15¾	.	...	Int. Util. (A)	315	19	19	18½	18½
3½	1½	.	...	Do. (B)	9450	2½	2¾	1¾	1¾
				J					
37	34½	1.75	4.8	Jam. Pub. Ser.	575	36½	37	36½	36½
132	130	7	5.4	Do. pref.	....	(— bid 130 asked)			
				K					
39	30	.	...	Kelvinator	338	31	30¾	30	30¾
108	106½	7	6.6	Do. pref.	....	(107 bid — asked)			
				L					
43½	31½	.	...	Lake of Woods.	1230	33	33¾	31½	33¾
156	143	7	4.8	Do. pref.	....	(— bid 150 asked)			
75	55½	5	7.2	Landed Bank.	....	(68¾ bid 70 asked)			
22	15½	70c	3.6	Lang, J. A.	120	21	20	19½	19½
6	4½	.	...	Langley's	....	(4½ bid 6 asked)			
65	55	.	...	Do. pref.	....	(— bid 58 asked)			
77	68½	3	4.3	Laura Secord	15	69½	69	69	69
15	8		...	Lindsay, C. W.	....	(— bid 12 asked)			
78	70		...	Do. pref.	....	(— bid 75 asked)			
25¾	22¾	1+12½c	..	Loblaw (A)	838	23½	23¾	23	23½
23	21	1+12½c	..	Do. (B)	1458	21½	21½	21	21½
				M					
1.80	1.40	.	...	Mackenzie Air.	3075	1.50	1.70	1.40	1.60
†10½	2¾	.	...	MacKin. Steel	....	(— bid 9 asked)			
64	60	.	...	Do. pref.	....	(— bid 70 asked)			
37½	27	.	...	Maclaren Pr. p.	1976	29	30	27	28
3	2	.	...	M. L. Gardens.	215	3	3	1¾	2¾
5	2½	.	...	Do. pref.	250	4	4	4	4
11	6½	.	...	Maple Leaf	675	9	9	7½	8¾
12¾	5	.	...	Do. pref.	445	7¾	8½	5	7½
17	17	60+10c	..	Maritime Tele.	....	(15 bid — asked)			
†15	15	70c		Do. pref.	....	(16 bid — asked)			
†18	13	.	...	Marcus Loew's.	....	(— bid 20 asked)			
125	120	7	5.8	Do. pref.	....	(110 bid 125 asked)			
16¾	8½	.	...	Massey-Harris	10478	12½	14	11½	13
74	52½	.	...	Do. pref.	3000	66	67	60	65
15	8½	40c	4.4	McColl Fron.	10409	9	9½	8½	9½
101	88	6	6.6	Do. pref.	122	91½	91	91	90½
8	3¾	.	...	Melchers (A)	5	4	4	4	4
9½	6½	.	...	Do. (B)	2247	7	8	6½	7¾
2	2	.	...	Mercury Mills	6	2	2	2	2
40	20	.	...	Do. pref.	....	(30 bid 35 asked)			
50	49	2	...	Mitchell, J. S.	....	(50 bid 54 asked)			
†110	110	7	...	Do. pref.	....	(111 bid — asked)			
30	19	.	...	Mitchell, Robt.	1323	24	23	19	21½
5½	5	.	...	Monarch Knit.	....	(5 bid — asked)			
86	83½	7	8.3	Do. pref.	....	(— bid 69 asked)			
48	36	50c	...	Montreal Cot.	....	(47½ bid — asked)			
110	105	7	6.6	Do. pref.	35	108	106	106	106
1½	1	.	...	Mont. Is. Pr.	10	1½	1½	1½	1½
37½	29	1.50	5	Mont. L. & Pr.	8287	30	30½	29	29¾
31	28	2	6.4	Montreal Loan.	....	(30 bid — asked)			
15½	13	.	...	Mtl. Ref. & S.P.	....	(16 bid — asked)			
1½	1¾	.	...	Do. Vot. Tr.	....	(2 bid — asked)			
65	58	3.20	5	Montreal Tele.	20	62	63	63	63
102	84¾	9	10.6	Montreal Trams	369	86	90	85	85
45	42	1.60	3.7	Moore Corp.	365	44	43½	42	43
188	180	7	3.8	Do. pref. (A).	27	185	182	182	182
267	258	7	2.6	Do. pref. (B).	....	252½ bid 260 asked			
1½	1	.	...	Muirheads	....	(— bid 1 asked)			
5	5	.	...	Do. pref.	....	(5½ bid — asked)			
				N					
42½	37¾	2	4.2	Nat. Breweries.	2050	39	40	37¾	40
43½	39	1.75	3.6	Do. pref.	365	41	42	41	41
11	8½	.	...	Nat. Grocers	2300	9	9¾	9	9¾
140	137	7	5	Do. pref.	....	(136 bid 140 asked)			
21½	19	.	...	N. Sew. Pipe A.	30	19½	19½	19	19
57½	39¾	.	...	Nat. Steel Car.	4140	43½	45	39¾	45
210	201	8	4	National Tr.	....	201 bid 207½ asked			
54	40	2	4.9	Niag. W. Weav.	520	42	41½	40	41
4	2½	.	...	North Star Oil.	....	(2 bid 2½ asked)			
4½	4½	26¼c▲	..	Do. pref.	....	(4 bid 4½ asked)			
97½	97½	5	5.1	N. S. L. & Pr.	20	..	97½	97½	97½
105	97½	6	5.7	Do. pref.	....	(105 bid — asked)			
37	9½	.	...	N. S. Steel, pf.	....	(— bid 24 asked)			
				O					
300	235	8	3.3	Ogilvie Flour	109	255	260	235	260
168	150	7	4.6	Do. pref.	10	150	150	150	150
112	106	5	4.7	Ontario Loan	55	107½	107	107	107
7½	4¾	.	...	Ont. Silknit	....	(— bid 7¾ asked)			
71	69½	7	9.8	Do. pref.	....	(— bid 70 asked)			
18¾	15	.	...	Ont. Steel	50	16	16	16	16
114	114	7+5½▲	..	Do. pref.	....	(114 bid 125 asked)			
3½	2	.	...	Orange-Crush	20	2	2½	2½	2½
10	5½	35c	...	Do. pref.	....	(6 bid 8 asked)			
100	93	6	6.4	Ott. L. H. & Pr.	....	(— bid 95 asked)			
105	102¾	5	4.9	Do. pref.	5	103	102½	102½	102½
22½	19½	2	9.5	Ott. Traction	65	22	22½	21	21
				P					
109½	98	1.75+25c	.	Page-Hersey	453	101½	101½	99½	100
9¾	5¾	.	...	Pantepec Oil	800	6	6	5¾	5¾
20	15	.	...	Paton Mfg.	....	(15 Apr. 15)			
†110	110	7	...	Do. pref.	....	(— bid — asked)			
63¾	59	3	4.8	Penmans	45	63½	63½	63	63
130	127	6	4.7	Do. pref.	....	(— bid — asked)			
26½	21	1	4.5	Photo Eng.	208	22	21	21	21½
102	96	7	6.9	Porto Rico Pr. p	2	100½	100½	100½	100½
33¾	21	25c	...	Power Corp.	2868	23	24	21¾	24
108	103	6	5.8	Do. pref.	....	(— bid 103 asked)			
3¾	2½	.	...	Prairie C. Oil	70	2½	2½	2½	2½
36	30	50c	...	Pressed Metals	40	32	32	30	30
53	25	.	...	Price Bros.	13471	40½	42¾	35	41½
79	64½	.	...	Do. pref.	1000	69	69	64½	69
				Q					
25¾	18	1	5.3	Quebec Power	155	19	19	18	19
4¾	4½	.	...	Que. Telephone	30	4¾	4¾	4¾	4¾
				R					
58	40	2	5	Real Estate L'n.	....	(— bid 95 asked)			
10½	8	.	...	Regent Knit.	325	8	8½	8	8
23½	19	.	...	Do. pref.	155	23	23	23	23
3¾	2½	.	...	Reinhardt Brew	4300	3½	3¾	3½	3½
14½	8	.	...	Reliance Grain.	100	12	13	12	12
29½	22	60+15c•	.	Remington R'd.	....	(23¾ bid 25½ asked)			
33	30½	2	6.4	River S. Mills.	25	31½	31½	31½	31½
8¾	6	.	...	Rogers Majest.	300	6½	6	6	6
31	26	1	...	Rolland P.	....	(— bid 30 asked)			
33	25	.	...	Do. Vot. Trust	290	30	29	27	28
106½	103½	6	5.8	Do. pref.	....	103¾ bid 104 asked			
11¾	11¾	25c	...	Root Petroleum	....	(11¾ Jan. 29)			
227	200	8	4	Royal Bank	124	212	212	200	200
78	56	1.25	...	Russell Motor	....	(70 bid — asked)			
118	110	7	5.9	Do. pref.	....	(114 bid 116 asked)			
				S					
103½	98½	5.50	5.3	Saguenay Pr. p.	34	100½	103	99½	101
22	13	.	...	Sarnia Br. (A).	105	15	14	14	14
16	8	.	...	Do. (B)	115	8	8	8	8
34	25½	80c	2.9	Shawinigan Pr.	4601	27	27	25½	26¾
30	24½	.	...	Sher.-Wms.	815	26	26	24½	26
131	127	7	5.5	Do. pref.	24	128½	128	127½	127½
16	14	.	...	Simon & Son	....	(— bid 15½ asked)			
103½	100	7	6.9	Do. pref.	....	(102 bid 108 asked)			
110	99½	5	5	Simpson, pf.	265	100	100	99½	100
38	20	.	...	Do. (A)	30	27	27	27	27
17	9	.	...	Do. (B)	105	10	9	9	9
122	109	6	5.1	Simpson, R., pf.	25	111	118	116	118
18½	13½	80c	6.1	So. Can. Pr.	385	14	13½	13½	13½
106	104	6	5.7	Do. pref.	14	106	108	106	106
15½	8½	.	...	St. Law. Corp.	14880	12½	13	10¾	12
39¾	25	.	...	Do. (A)	9460	32½	32¾	29	32½
26	22	25c	...	St. Law. Flour.	75	25	24	22	22
145	140	7	5	Do. pref.	....	138½ bid 150 asked			
94¾	68	.	...	St. Law. Pap. p	1802	81	81½	74½	80
15¾	11¾	.	...	Stand. Chem.	....	(— bid 15 asked)			
14½	8	.	...	Stand. Clay	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	...	Stand. Paving	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Steel of Can.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Stop & Shop	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Stuart, D. A.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	...	Do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
37	33½	1	2.8	Sup. Pete. ord.	220	35½	36	35	35
36	33	1	3	Do. com.	....	(35½ bid 37 asked)			
				T					
16¾	15¾	80c	5	Tamblyn	595	16	16½	16	16½
54	52½	2.50	4.6	Do. pref.	....	(52 bid — asked)			
2½	1¾	.	...	Thayers	....	(1½ bid 2½ asked)			
25	19	2.50	...	Do. pref.	10	20½	20½	20½	20½
2	1	.	...	Thrift Stores	....	(1 bid — asked)			
8	6	.	...	Do. pref.	....	(— bid 7 asked)			
14	10	40c	...	Tip Top Tailors.	....	(12 bid 13½ asked)			
110	104	7	6.4	Do. pref.	62	109	109	109	109
6	2	.	...	Tooke Bros.	25	4	4	4	4
34¾	21	.	...	Do. pref.	....	(— bid 27 asked)			
46	36	1	...	Tor. Elevators	716	41	41	36	39¾
52	47	66c	...	Do. pref.	205	48	48	47	48
110	96½	4	4	Tor. Gen. Tr.	5	100	100	100	100
126	120	6	4.8	Toronto Mtge.	15	125	125	125	125
160	153	7	4.4	Tuckett Tob. p.	....	150 bid 158½ asked			
18	10½	.	...	Twin City	100	11½	10½	10½	10½
				U					
19	13	12½c	...	Union Gas	3640	13¾	13¾	13	13¾
28	20	.	...	Un. Amuse. A.	....	(— bid 30 asked)			
27	24	.	...	Do. (B)	....	(— bid 30 asked)			
1.15	.65	.	...	United Distill.	300	.90	.90	.65	.90
62½	51½	.	...	United Fuel, pf.	705	57½	57	52	55
25	24	2	8.3	United Secs.	....	(— bid 23 asked)			
11½	6¾	.	...	United Steel	21510	8	8¾	6¾	7½
				V					
8	4	.	...	Viau Bisc.	52	4½	4	4	4
60	50	.	...	Do. pref.	10	54	50	50	50
				W					
27	22	50c	...	Wabasso Cot.	70	24	24	23	23
49½	42	2	4.6	Walker-Good.	5638	43½	44	42	42½
20	18½	1	5.1	Do. pref.	968	19½	19¾	19½	19½
3½	2	.	...	Walkerville Br.	350	2	2	2	2
5	2½	.	...	Waterloo Mfg.	310	3½	3½	2½	3½
12½	9½	.	...	West C. Flour	5	9½	9½	9½	9½
90	76	.	...	Do. pref.	....	(— bid 79 asked)			
71	65	2.40	3.3	West. Grocers	15	70	71	70½	71
122	115½	7	5.8	Do. pref.	....	(— bid 117½ asked)			
18½	15½	80+10c	..	Weston Ltd.	800	16½	16½	15½	16
106½	99	5	4.9	Do. pref.	50	100	102	100	102
8	4	.	...	Windsor Hotel	5	5	5	5	5
23	12	.	...	Do. pref.	....	(9 bid 18 asked)			
10½	4¾	.	...	Winnipeg El. A.	1163	6	6	5	5½
10	4½	.	...	Do. (B)	570	6	5½	4½	4½
44	29	.	...	Do. pref.	188	31	30½	30	30½
70	53	1.75▲	...	Wood, A. & J. p	....	(62 bid 95 asked)			
85	75	.	...	Woods Mfg., pf.	....	(50 bid 75 asked)			
				Z					
7½	5½	.	...	Zimmerknit, c.	....	(5½ bid 6½ asked)			
98	92	7	...	Do. pref.	....	(96 bid 97 asked)			

† 1936.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1937.
• Plus stock bonus of 1% paid Jan. 2, and 1% Mar. 26, 1937.
▪ Plus capital distribution of $1 paid Feb. 1, 1937.

Mining Stock Quotations

WEEK ENDED MAY 3, 1937

Par Val.	Range 1937 High	Low	Company	Sales	Close Apr. 26 (or last)	High for week	Low for week	Close May 3
1	.10½	.04¾	Afton	38,500	.05½	.06½	.04½	.05½
No	1.90	.88	Aldermac	94,170	1.17	1.25	1.00	1.16
1	.04½	.02½	Alexandria	21,900	.02½	.02½	.02½	.02½
No	8.75	6.00	Anglo-Huronian	1,707	6.50	6.50	6.00	6.25
1	1.42	.60	Argosy	82,930	.75	.75	.60	.70
1	1.15	.55	Arntfield	16,575	.65	.65	.55	.60
No	.09	.03½	Arno	4,300	.04	.04	.03½	.03½
1	.15	.08	Ashley	9,900	.09	.09	.08½	.09
1	.27	.09	Astoria Rouyn	86,310	.14	.14½	.12½	.13½
50c.	.16	.07	Aztec	1,000	.09	.08½	.08	.08½
1	.36	.23	Bagamac	6,650	.30	.30	.25	.25
1	1.85	.80½	Bankfield	36,358	1.00	1.05	.85	.99
1	.01	.01	Barry Hollinger	6,500	.01	.01	.01	.01
1	.65	.25	Base Metals	14,250	.35	.38	.31	.36
No	1.75	1.00	Beattie Gold	12,300	1.35	1.38	1.15	1.32
1	.65	.33	Beaufor	40,150	.40	.40	.35	.39
1	1.70	.76	Bidgood Kirk	63,535	.85	.99	.83	.84
1	.72	.40	Big Missouri	10,460	.50	.50	.42	.47
1	.29	.15	Bobjo	20,100	.17	.16	.15	.16
1	1.14	.40	Bouscadillac G.M.	17,100	.55	.55	.45	.50
No	9.00	6.70	Bralorne	8,028	7.40	7.25	6.70	6.95
1	.15	.06	Brasil Gold	2,500	.06	.08	.06	.08
1	.21	.08	Brett Trethewey	8,500	.10½	.10	.09	.09½
1	.13	.05½	Brownlee	11,200	.06	.06½	.06	.06½
1	12.50	8.25	Buffalo Ankerite	4,260	9.80	9.90	9.00	9.00
No	.06½	.03½	Buffalo Can.	11,565	.04	.04½	.03½	.03½
5	30.00	25.00	Bulolo Gold	2,050	27.50	26.00	25.00	26.00
No	.23	.10	Bunker Hill	5,210	.15½	.14½	.14	.14
No	2.30	1.10	Can. Malartic	29,368	1.38	1.40	1.15	1.20
1	1.75	1.47	Cariboo Gold	1,800	1.60	1.60	1.50	1.55
1	.47½	.18	Cartier Malartic	30,300	.27	.25	.21	.22
1	1.66	1.00	Castle Trethewey	15,380	1.08	1.16	1.03	1.15
1	.65	.35	Cen. Cadillac	10,000	.47	.44	.35	.38
1	.31	.06	Cen. Manitoba	16,500	.08	.08½	.07½	.08½
1	5.25	2.60	Cen. Patricia	46,780	3.20	3.55	2.90	3.25
1	.43	.14	Cen. Porcupine	80,090	.22	.23½	.19	.20
No	1.47	.60	Chromium	17,375	.75	.95	.75	.95
No	.06	.03½	Church M. & Mill	20,800	.04	.04	.03½	.04
No	.09½	.04¾	Clericy	......	(.06 Mar. 23)			
5	10.00	4.80	Coast Copper	1,200	5.50	5.50	4.80	5.00
1	.03½	.01½	Cobalt Contact	5,500	.02	.02	.01½	.01½
5	3.50	2.75	Coniagas	......	(2.50 bid 2.75 asked)			
No	2.14	1.13	Coniaurum	6,250	1.25	1.40	1.13	1.35
1	2.70	1.00	Con. Chibougamau	36,420	1.20	1.30	1.07	1.15
25	100.50	72.00	Cons. Smelters	20,281	79.00	80.50	72.00	80.50
1	.22½	.17	Coulson Cons.	28,100	.20	.22½	.18	.22½
1	2.98	.70	Darkwater	39,500	1.10	1.15	.90	1.15
No	51.12	38.50	Dome Mines	14,739	42.25	43.00	38.50	41.12
1	.15	.05	Dom. Explorers	1,250	.06½	.05½	.05	.05
1	1.22	.40	Dorval Siscoe	11,850	.59½	.67	.60	.67
1	.15	.05½	Duparquet	58,150	.09½	.11	.09½	.09½
1	2.05	.90	East Malartic	104,286	1.15	1.23	.90	1.08
1	3.65	2.10	Eldorado	80,225	2.50	2.90	2.20	2.50
No	12.87	7.10	Falconbridge	12,826	8.25	8.25	7.10	8.10
1	.54	.10	Federal	95,900	.18	.18	.15	.16
No	1.59	.72	Francoeur Gold	81,965	.95	1.05	.75	.95
1	.30	.10	Glenora	18,600	.13	.15	.11½	.14
1	.65	.30	Gillies Lake	323,566	.56	.65	.50	.63
No	1.02	.50	God's Lake	37,650	.55	.55	.50	.53
1	.30	.08	Golconda	1,500	.09½	.09½	.08½	.08½
1	.49	.25	Goldale	10,600	.28	.30	.25	.28
50c.	.34	.12	Gold Belt	12,700	.33	.34	.28	.31
1	.68	.45	Gold Eagle	10,400	.55	.55	.46	.50
1	.22	.10	Goodfish	16,300	.16	.16	.13	.15½
1	.63	.16	Graham Bosquet	12,800	.22	.23	.21	.21
1	.57	.21	Granada Gold	12,800	.26	.25	.23	.23½
No	.18	.06¾	Grandora	9,500	.07½	.08	.06½	.07½
1	.18	.10	Grull Wihksne	......	(— bid .12 asked)			
1	1.25	.69	Gunnar Gold	23,100	.85	.85	.75	.82
1	.07	.02½	Halcrow Swayze	7,500	.03	.03½	.02½	.02½
1	3.44	1.39	Hard Rock	65,305	1.71	1.90	1.50	1.68
1	.35	.15	Harker	31,600	.18	.18	.16	.18
5	15.50	10.75	Hollinger	12,623	12.00	12.50	11.00	12.00
1	.72	.33½	Howey Gold	47,100	.40	.42	.38	.39
No	41.75	27.00	Hudson Bay	9,183	29.00	30.25	27.00	30.00
1	19.25	11.25	Inter. Mining	75	12.25	12.00	11.25	12.00
No	73.25	54.00	Int. Nickel	74,211	58.50	60.75	54.00	60.12
1	.54	.36	Jacola	25,964	.47	.44	.37	.43
1	1.61	.95	Jack Waite	14,275	1.12	1.14	.95	1.00
1	2.15	.90	Jellicoe	120,940	1.15	1.25	1.00	1.10
1	.59	.30	J. M. Cons. Gold	33,260	.38	.39	.30	.35
1	3.30	2.20	Kerr Addison	114,663	2.55	2.70	2.25	2.60
1	.65	.55	Kerr Lake	......	(.35 bid 1.00 asked)			
1	.55	.45	Kirk. Gold Rand	1,133	.55	.45	.45	.45
1	2.65	1.35	Kirk. Hud. Bay	5,972	1.70	1.70	1.35	1.55
1	1.70	.90	Kirkland Lake	198,970	1.42	1.55	1.27	1.47
1	.55	.23	Kirk. Townsite	3,800	.35	.30	.27	.30
1	1.10	.60	Laguna	6,900	.68	.68	.62	.63
1	59.50	47.50	Lake Shore	17,452	50.12	51.00	47.50	50.12
1	.28	.10	Lamaque Contact	48,900	.11½	.12½	.10	.11
1	1.33	.63	Lapa Cadillac	25,550	.80	.79	.67	.72
1	1.05	.78	Lava Cap	12,450	.88	.88	.85	.88
1	.30	.15	Lebel Oro	36,888	.16	.19	.16	.18½
1	.07½	.03	Lee Gold	10,200	.04½	.04½	.04	.04
1	1.35	.60	Leitch Gold	22,950	.72	.73	.60	.65
No	8.40	5.00	Little Long Lac	7,950	6.00	6.25	5.50	5.60
1	8.60	4.90	Macassa	59,055	5.75	5.85	4.90	5.70
1	1.25	.65	Madsen Red Lake	57,020	.95	.89	.73	.89
1	.36	.14	Maralgo	44,278	.17½	.17	.15	.17
1	.04⅞	.02½	Malrobic	25,800	.02½	.03½	.02½	.02½
No	.69	.27	Mandy	4,650	.40	.39	.30	.30
No	.16	.03	Man. & Eastern	25,200	.04	.04	.03½	.03½
1	.44	.11	May Spiers	18,300	.15	.15	.11	.13
5	42.25	33.25	McIntyre	7,178	35.50	35.50	33.25	34.62
1	2.03	1.04	McKenzie R.L.	34,860	1.35	1.40	1.25	1.30
1	.65	.55	McKinley	37	.63	.55	.55	.55
No	4.85	1.75	McLeod Cockshutt	48,585	2.20	2.25	1.85	2.00
1	.19	.02	McMillan	40,925	.04½	.04½	.04	.04½
No	1.21	.60	McWatters	35,800	.77	.73	.65	.65
1	.57	.15	McVittie	39 400	.35½	.37	.32	.35
5	2.00	1.50	Mentor Exp. & Dev.	.....	(.... bid 2.00 asked)			
No	5.00	2.80	Mining Corp.	27,681	3.20	3.40	2.85	3.10
No	.33½	.20	Minto Mines	27,600	.32	.33½	.26	.26½
1	.08	.03	Moffatt Hall	5,700	.04	.04	.03½	.04
1	.88	.33	Morris Kirk	20,900	.35	.47	.35	.43
1	1.97	1.05	Moneta	75,421	1.35	1.49	1.19	1.35
1	.45	.17	Montague	4,500	.25	.28	.25	.25
1	.10	.04	Murphy	22,500	.04½	.04½	.04	.04
1	1.05	.45	Naybob	2,800	.50	.50	.45	.45½
No	.42	.04	Newbec	18,810	.05½	.07	.05½	.05
1	1.49	.75	New Golden Rose	14,100	.81	1.00	.75	.80½
1	.05	.02	Night Hawk Penn.	5,500	.02½	.02½	.02½	.02½
5	3.60	2.40	Nipissing	775	2.60	2.65	2.45	2.45
No	83.00	61.50	Noranda	22,305	63.00	64.37	62.00	63.50
No	.95	.70	Nor. Canada	14,600	.82	.80	.73	.80
1	.16½	.06	Norgold	3,620	.08	.09	.07	.07½
1	1.75	1.20	Normetal Mining	16,146	1.45	1.53	1.30	1.50
1	13.25	6.50	O'Brien	77,065	9.15	9.45	7.75	8.50
1	1.28	.45	Omega	73,735	.67	.68	.57	.62
1	2.15	1.00	Oro Plata	17,500	1.24	1.25	1.05	1.10
1	.30	.15	Osisko	3,500	.17	.20	.20	.20
No	4.05	2.00	Pamour	22,245	2.50	2.60	2.20	2.45
1	1.10	.50	Pandora	18,900	.67	.65	.50	.61
1	.42	.20	Parkhill	9,597	.20	.24	.20	.24
1	.41	.20	Partanen Gold	44,400	.25	.32	.21	.28
1	3.80	2.00	Pato Cons. G.	5,376	2.25	2.25	2.00	2.15
1	.46	.18	Paulore	10,200	.20½	.24	.20	.22
1	.06	.02½	Pawnee Kirk	7,500	.03	.03	.02½	.02½
1	1.38	.55	Paymaster	157,670	.65	.70	.56	.60
1	6.60	2.60	Pend Oreille	43,750	3.10	3.50	2.75	3.10
1	2.51	1.00	Perron Gold	32,350	1.30	1.35	1.10	1.25
1	.03	.01½	Peterson Cobalt	3,000	.01½	.02½	.01½	.02½
1	9.20	5.20	Pickle Crow	39,187	6.25	6.45	5.75	6.25
1	6.85	4.50	Pioneer Gold B.C.	3,695	4.85	4.95	4.50	4.60
1	.11	.04	Porcupine Crown	26,500	.04½	.04½	.04	.04
1	2.20	1.06	Powell Rouyn	27,700	1.26	1.35	1.06	1.23
1	4.50	2.50	Premier Gold	10,725	2.85	2.90	2.60	2.79
1	1.47	.84	Preston E. Dome	246,850	1.05	1.18	.98	1.08
No	1.55	1.10	Prospectors Air's	5,500	1.42	1.45	1.40	1.40
1	.88	.50	Quebec Gold	4,000	.55	.55	.50	.50
No	.48	.10	Quemont	500	.14	.12	.12	.12
1	6.85	3.80	Read Authier	23,730	4.35	4.40	3.80	4.25
1	2.00	.90	Red Crest	36,450	1.10	1.15	.90	1.10
1	1.78	.50	Red Lake	52,050	.62	.62	.52	.54
No	1.52	1.00	Reeves McDonald	5,950	1.15	1.20	1.00	1.10
1	1.35	.90	Reno Gold	22,750	.99	1.00	.92	1.00
1	.22	.09	Reward	26,000	.13	.13	.10	.11½
1	.16	.05	Ritchie	18,200	.06½	.07	.06	.06½
1	.12½	.04	Robb Montbray	9,000	.05½	.06	.05	.05
1	.48½	.15	Roche Long Lac	15,200	.23	.24	.18	.21
1	2.40	1.25	San Antonio	17,165	1.65	1.74	1.47	1.60
1	1.13	.54	Shawkey	46,700	.66	.67	.59	.65
50c.	.80	.57	Sheep Creek	4,200	.80	.81	.78	.80
1	4.00	1.80	Sherritt Gordon	79,856	2.35	2.55	2.05	2.45
1	6.65	1.10	Siscoe	60,150	4.20	4.30	3.75	4.05
1	2.50	1.00	Sladen Malartic	154,140	1.30	1.56	1.10	1.35
1	2.50	1.15	Slave Lake	40,300	1.30	1.54	1.15	1.50
No	.05	.02½	South Tiblemont	4,500	.03	.03	.02½	.02½
No	2.90	.90½	Stadacona	651,040	1.62	1.70	1.30	1.58
1	.32	.13	St. Anthony	23,400	.17½	.17	.15½	.16
No	6.90	3.75	Sudbury Basin	6,175	4.45	4.50	4.00	4.45
1	.40½	.21	Sudbury Contact	15,800	.25	.25	.21	.23
1	.04	.01½	Sudbury Mines	21,500	.02	.02	.01½	.01½
1	2.25	1.05	Sullivan Cons.	55,030	1.45	1.55	1.35	1.42
1	4.80	2.70	Sylvanite	34,815	3.30	3.40	2.95	3.20
1	.29	.10	Tashota	24,416	.12½	.14	.10	.12
1	6.10	4.90	Teck Hughes	23,660	5.10	5.35	4.90	5.25
1	2.15	.67	Thomp Cadillac	84,920	1.00	1.00	.74	.88
1	.65	.20	Timiskaming	78,070	.42	.47	.35	.44
1	4.60	2.25	Toburn Gold	2,500	2.55	2.60	2.25	2.35
1	2.00	.88	Towagmac	15,240	1.21	1.25	1.10	1.20
1	2.60	.50	Treadwell	200	1.10	.70	.50	.70
No	3.30	1.60	Ventures	29,055	1.90	2.00	1.80	1.99
No	4.65	2.35	Waite Amulet	11,515	2.85	3.20	2.70	3.00
50c	.07½	.03½	Wayside	17,600	.03½	.04	.03½	.03½
No	.05	.02½	White Eagle	9,000	.02½	.03	.02½	.02½
1	.30	.12	Whitewater	6,200	.17	.20	.15	.16
1	.17	.06	Wiltsey Coughlan	2,100	.07	.07	.06½	.06½
1	.77	.34	Wood Cadillac	24,200	.54	.55	.40	.47
No	8.60	6.00	Wright-Hargreaves	30,405	6.40	7.00	6.00	6.80
No	.53	.26½	Ymir Girl	2,700	.30	.31	.26½	.26½
			OIL STOCKS					
No	.22	.11	Acme Gas & Oil	7,800	.14	.14½	.13	.14
1	.57	.29	Ajax	26,800	.35	.51	.40	.40
1	.95	.29	Alta. Pac. Cons.	4,710	.36	.37	.30	.30
1	1.10	.29	British Dominion	3,700	.34	.30	.29	.30
No	6.55	2.00	Calgary & Ed.	198,355	3.50	4.15	3.20	3.30
1	1.75	.40	Calmont	37,800	.69	.72	.50	.57
No	.95	.24	Common Pete	6,600	.30	.35	.30	.30
No	3.60	.55	Dalhousie	71,950	1.00	1.10	.85	.85
No	.45	.10	Eastcrest	137,930	.21½	.31	.15	.15
No	3.35	.90	Foothills	5,375	1.20	1.30	1.00	1.00
No	1.20	.25	Foundation Pete.	32,400	.35	.35	.28	.30½
No	.39	.16	Hargal	1,500	.20	.20	.20	.20
No	.90	.15	High Sarcee	39,050	.28	.29	.20	.20
No	4.05	1.35	Home	47,339	2.00	2.04	1.70	1.75
1	.87	.32	Homestead O.&G.	39,300	.41	.42	.35	.38
No	.90	.21	Lowery	2,125	.30	.30	.25	.25
No	.30	.19	McD. Segur Ex.	......	(.20 bid .22 asked)			
No	.63	.26	Mercury	9,200	.34	.33	.27	.28
No	.39	.10	Merland	10,400	.16½	.17	.13	.15
1	1.15	.40	Model	4,700	.45	.50	.42	.42
5	.49	.15	Nordon	31,200	.22	.23	.18	.18
No	.12	.04½	Oil Selections	9,000	.05½	.05½	.04½	.04¾
No	4.10	1.05	Okalta	34,470	1.50	1.65	1.25	1.30
No	.12	.04½	Olga Gas & Oil	5,500	.05½	.05½	.05	.05
No	.43½	.10	Pacalta	58,200	.19	.20	.15	.16
1	.70	.61	Petrol Oil & Gas	......	(.60 bid 1.00 asked)			
No	60.00	35.00	Royalite	3,878	41.00	41.00	36.00	36.25
No	2.00	.53	South West Pete.	2,460	.80	.80	.60	.60
1	.68	.27	Spooner Oil	100	.29	.27	.27	.27
No	2.35	1.50	Texas Can.	7,850	1.70	1.70	1.50	1.70
No	.70	.17	United Oil	31,180	.24	.29	.23	.23
1	2.00	1.00	Vulcan	3,700	1.36	1.45	1.15	1.20

VANCOUVER STOCK EXCHANGE

Par Val	Range 1937 High	Low	Company	Sales	Close Apr. 26 (or last)	High for week	Low for week	Close May 3
50c	.15	.08	Aztec	12,100	.09½	.09½	.08	.09
25c	.02	.00¾	Bayview	4,000	.01½	.01½	.01	.01
20c	.04	.01½	Beaver Silver	1,000	.02	.01½	.01½	.01½
1	.70	.48	Big Missouri	1,725	.52	.55	.49	.49
25c	.07½	.02½	Bluebird	5,200	e .03½	.04	.03½	.04
No	9.00	6.75	Bralorne	9,946	7.25	7.25	6.75	6.95
1	.07½	.03½	Bridge River Cons.	3,000	.04½	.04½	.04	.04½
50c	.19	.10	B.R. Mountain Gold	......	(.15 Apr. 26)			
1	.40	.17	B.C. Nickel	21,400	.20	.20	.17	.19
1	3.85	2.50	B.C. Silver	6,350	2.90	2.95	2.50	2.65
50c	.04½	.03½	Canadian Rand	......	(.03½ Apr. 14)			
1	1.79	1.45	Cariboo Gold	4,600	1.65	1.55	1.51	1.53
1	.14	.07	Congress Gold	26,400	.07½	.09	.07	.07
25c	.05	.01	Cork Province	3,000	.01½	.01½	.01½	.01½
No	.28	.13½	Dentonia	7,700	.15	.15	.14	.14
No	.07½	.02	Dictator	1,000	.03	.02½	.02½	.02½
1	.05	.03	Dunwell	......	(.03½ bid ... asked)			
No	.18	.09	Fairview Amal.	9,790	.10	.10½	.09½	.09½
50c	.69	.38	Fawn Mining	......	(.38 Mar. 18)			
1	.06½	.03½	Federal Gold	36,000	.05½	.06	.04½	.04½
1	1.43	.45	George Copper	......	(.40 bid ... asked)			
50c	.06½	.03	George Enterprise	......	(.03½ bid ... asked)			
1	.05	.02	Georgia River	13,500	.02½	.02½	.02½	.02½
50c	.03½	.01½	Glacier Creek	......	(... bid .02 asked)			
1	.29	.08½	Golconda	7,900	.10	.09½	.08½	.09
50c	.31½	.11½	Gold Belt	14,100	.31½	.31½	.28	.30
50c	.43	.05	Gold Mountain	184,900	.08½	.09½	.05	.08½
50c	.30	.11½	Grandview	17,200	.17	.18	.15½	.16½
No	.03½	.02	Grange Mines	16,000	.02½	.02½	.02½	.02½
1	.18½	.08	Grull Wihksne	1,000	.10½	.10	.08	.08
No	.05	.00½	Haida Gold	......	(.01½ bid .02½ asked)			
25c	.26	.20	Hecla Mining	......	(.25 Mar. 30)			
No	.13	.03	Hedley Sterling	1,000	.03	.03	.03	.03
No	.04½	.02½	Home Gold	3,000	.03	.02½	.02½	.02½
1	.04½	.02½	Independence	......	(.03½ Feb. 11)			
1	.08	.02½	Indian Mines	4,000	.02½	.02½	.02½	.02½
50c	1.18	.70	Island Mountain	1,750	.78	.75	.70	.74
1	.22½	.21	Inter'tl Coal	......	(.21 bid .25 asked)			
50c	.06½	.04½	Inter'tl Gold	12,200	.05½	.05½	.05	.05½
50c	.90	.80	Kootenay Belle	5,100	.88	.86	.80	.81
20c	.07	.01½	Koot. Florence	29,100	.02½	.03	.02½	.02½
25c	.04½	.01	Kootenay King	4,000	.01½	.01½	.01½	.01½
1	.03½	.00¾	Lakeview	7,000	.02½	.02	.02	.02
10c	.19	.06½	Lucky Jim	23,300	.10	.10½	.09	.09½
No	.07½	.04	Mak Siccar	8,000	.04½	.04½	.04	.04
50c	.02½	.01	Marmot Metals	4,000	.01½	.01	.01	.01
1	.19½	.19	McGillivray Creek	41,500	.19	.19	.19	.19
5c	.17	.12	Metaline	......	(.12 Mar. 16)			
No	.38	.19½	Minto Mines	480,400	.31	.38	.23½	.24
1	.05	.01½	Morton Woolsey	500	.01½	.01½	.01½	.01½
50c	.15½	.05	Nicola	8,950	.05	.05½	.05	.05
50c	.17	.06	Noble Five	16,000	.08	.08	.06½	.07½
1	6.75	2.85	Pend Oreille	3,165	3.30	3.25	2.85	3.00
No	.07½	.04	Pilot Gold	15,300	.05½	.05	.04½	.04½
1	6.75	4.60	Pioneer Gold	1,655	4.90	4.85	4.60	4.60
50c	.15	.05	Porter Idaho	4,500	.05	.05½	.05	.05½
No	.05½	.02½	Premier Border	34,500	.03½	.03½	.03	.03
1	4.80	2.50	Premier Gold	5,300	2.90	2.85	2.65	2.83
1	.15	.03	Quatsino Copper	2,000	.05½	.05½	.05	.05
25c	.17	.10	Quesnelle Quartz	5,000	.12	.11	.10	.10
1c	.05½	.03½	Reliance	88,500	.04½	.04½	.03½	.03½
1	.37	.19	Relief Arlington	4,600	.20	.21	.19	.21
No	1.90	.75	Reeves McDonald	5,700	1.11	1.16	1.00	1.01
1	1.31	.91	Reno Gold	3,200	.97	.99	.91	.99
1	.20½	.06	Reward Mining	13,000	.12	.12	.10	.10
1	.09½	.03	Rufus Argenta	13,500	.04½	.04½	.04	.04
1	.11½	.03	Ruth Hope	500	.03½	.03½	.03½	.03½
50c	.15	.09½	Salmon Gold	4,600	.10	.10	.09½	.09
50c	.83	.58	Sheep Creek	17,950	.80	.83	.77	.81
1	3.20	3.00	Sihak Premier	......	(2.60 bid 2.75 asked)			
25c	.14½	.04½	Silvercrest	4,900	.06½	.06½	.06	.06½
20c	.10	.02½	Silversmith	12,000	.02½	.03½	.02½	.03
1	.63	.42	Standard Silver	2,000	.48	.48	.47	.47
1	.75	.20	Sunloch	2,250	.30	.30	.27½	.30
10c	21.00	19.75	Sunshine	......	(18.00 bid 19.00 asked)			
No	.13	.07	Taylor Bridge	900	.07	.07	.07	.07
1	.14	.08	Taylor Windfall	17,500	.11	.11	.10½	.10½
No	1.05	.32	Vidette Gold	4,050	.40	.38	.32	.32
No	.06½	.02½	Viking Gold	11,500	.02½	.03	.02½	.02½
50c	.03	.01	Waverley Tangier	40,000	.01½	.01½	.01½	.01½
50c	.08½	.03½	Wayside	2,000	.04	.04	.03½	.03½
20c	.13½	.04	Wellington	1,500	.06	.05½	.05½	.05½
50c	.50	.17	Wesko	9,700	.22	.21½	.18	.18
1	.42	.12	Whitewater	15,100	.16½	.16	.14	.16
No	.50	.28	Ymir Yankee Girl	500	.28	.30	.30	.30
			OIL STOCKS					
1	1.09	.26	Alta. Pac. Cons.	8,275	.38	.40	.32	.32
1	.14½	.06½	Amalgamated	11,150	.09	.09	.08½	.08½
1	.64	.07½	Anaconda	14,900	.19	.19	.16	.18
No	.45	.10	Associated Oils	......	(.10 Apr. 12)			
No	.24	.04½	Baltac	500	.08	.07	.07	.07
1	1.05	.15	Brit. Dominion	100	.25	.30	.30	.30
No	6.20	2.20	Calgary & Ed.	45,365	3.70	4.15	2.20	2.35
1	1.84	.43	Calmont	15,450	.68	.69	.57	.59
1	.90	.26	Commonwealth	8,200	.34	.33	.28½	.28½
1	.13	.07	Crow's Nest	6,200	.08	.09	.08½	.08½
No	3.55	.71	Dalhousie Oil	4,275	1.08	1.07	.82	.85
No	.45	.13½	East Crest	32,600	.24	.31½	.25½	.26
No	.96	.31½	Foundation Pete.	4,000	.34	.33	.31½	.33
No	.44	.09	Freehold	42,900	.09½	.11	.09½	.09½
No	.40	.10	Hargal	3,000	.18	.20	.20	.20
No	.91	.14	High Sarcee	11,100	.29	.29	.22	.22
No	4.10	1.50	Home Oil	3,725	2.00	1.93	1.75	1.75
No	.88	.21	Lowery	13,500	.30	.30	.25	.27
No	.35	.04½	Madison	33,400	.11	.12	.09½	.09½
No	.50	.15	Marion Oil	[illegible]	.20	.22	.20	.20
No	.78	.18	McD. Segur Ex.	19,500	.23	.23	.18½	.18½
1	1.60	.40	McLeod	920	.55	.60	.55	.55
No	.83	.22	Mercury	35,400	.33	.33½	.27	.27½
No	.39	.12	Merland	500	.13	.15	.15	.15
No	.65	.08	Mid-West	......	(.25 Apr. 2)			
No	.65	.18	Mill City Pete.	1,200	.19	.22	.22	.22
1	1.15	.44	Model	6,150	.50	.50	.45	.45
25c	.25	.23	Monarch Royal	5,700	.23	.27	.23	.23
5	.48	.17	Nordon	8,700	.22	.23	.18	.18
No	4.00	.85	Okalta	14,030	1.55	1.63	1.27	1.27
No	.44	.11½	Pacalta Oil	7,500	.20	.18	.16	.16
1	1.50	.40	Ranchmen's	13,850	.73	.75	.63	.65
No	59.00	34.00	Royalite	......	(38.00 bid ... asked)			
No	2.00	.45	Southwest Pete.	1,600	.79	.75	.60	.60
1	.75	.25½	Spooner	50	.30	.30	.30	.30
No	.72	.16½	United	2,750	.26	.28	.23	.23
No	.38	.05	Vanalta	8,600	.09½	.10	.09½	.10
1	3.05	.95	Vulcan	2,425	1.40	1.45	1.20	1.20

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

May 4, 1937

	Int. Rate %	Due	Bid May 4	Asked May 4	Bid Apr. 27
Public Utility Issues:					
‡Assoc. Tel. & T.	5½	'55	83	86	83
▲Avalon Tel.	5½	'48	101½	...	101½
Beauharnois P.	5	'73	59	62	61
‡Bell Telephone.	5	'55	113	116	112
‡Do	5	'57	116½	119½	116
B. C. Power	4½	'60	95	98	95½
B. C. Tele.	4½	'61	103	106	103½
‡Calgary Power	5	'60	94½	97½	95
†Can. Nor. Pwr.	5	'53	102½	105½	102½
‡Dom. Gas & El.	6½	'45	92	95	92
‡Gatineau Power	5	'56	100	103	100
‡Do., A	6	'41	100	103	100½
‡Do., B	6	'41	100	103	100½
Gt. Lakes Pwr.	4½	'56	92½	95½	92½
‡Inter Hydro-El.	6	'44	75½	78½	74
‡Inter. Power	6	'57	98½	101½	98½
‡Do.	6½	'57	100½	103½	100½
▲Do.	6	'55	101	104	101
†Maclaren-Que. Power	5½	'61	98	101	98
†Do.	5½	'64	97½	100½	97½
†Mtl. Island Pr.	5½	'57	103	106	103
†Mtl. L., H. & Pr.	3½	'56	96½	99½	97
†Mtl. Tramways	5	'41	101	104	101
†Do.	5	'55	77	80	80
Nfld. L. & P.	4½	'56	99½	102½	99½
Nat'l. L. & P.	6	'49	95½	98½	95½
N. S. L. & P.	4	'57	97½	100½	97½
†Ot'wa L.H.&P.	5	'57	105	108	105
†Ottawa Tract.	5½	'55	101½	104½	101½
†Ottawa V. Pwr.	5½	'70	104	107	104
†Power Corp.	4½	'59	99½	102½	99½
‡Quebec Power.	5	'68	103	105	103
Saguenay Pr., B	4½	'66	101	104	102½
Do., A	4½	'66	98½	101½	100
†Shaw. W. & Pr.	4	'61	95½	98½	95½
†Do.	4½	'70	101½	104½	101½
†South. Can. Pr.	5	'55	102	105	102
†West. Pwr. Co.	5	'49	104	107	103½
‡Winnipeg Elec.	4½	'60	104	107	104
‡Do., A	4	'65	76	79	78
‡Do., B	4	'65	65½	68½	71½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	103½	106½	104
Acadia Sugar	4½	'55	101½	104½	101½
†Alta. Pac. Gr.	6	'46	98½	101½	98½
Asbestos Corp.	5	'42	100½	103	100
B. A. Oil	4	'45	101	104	101
Canada Bread	6½	'41	107½	110½	107½
†Canada Cement	4½	'51	101½	104½	101
†Canada Paper	4½	'52	95	98	95
Can. Steamship	6	'41	68	71	68
Can. Canners	4	'51	98	101	98
Can. Bakeries	6½	'45	100	...	100
‡Can. Inter. Pap.	6	'49	100½	103½	101
C. P. R.	3½	'51	99	101	100
Do.	4	'49	102	105	103
Do.	4½	'44	101	104	101
Do.	4	Per.	93¾	95¾	95½
†Can. Vickers	6	'47	98	101	99
†Consol. Paper	5½	'61	91½	94½	94
‡Dominion Coal	6	'55	100	103	99½
Dom. Sq. Corp.	6	'48	73	76	74
▲Dom. Stl. & C.	6½	'55	106	109	105
Dom. Tar	4½	'51	98½	101½	98½
Dom. Textile	4½	'55	106	109	106
†Donnacona P.	4-4½	'56	81½	84½	82½
†Eastern Dairies	6	'49	83½	86½	85
†Famous Players	4½	'51	95½	98½	96
†Federal Grain	6	'49	100½	103½	100½
†Fraser Cos.	6	'50	101½	104½	102
Great Lakes P.	5	'55	93½	96½	94½
†Gypsum, L & A	5½	'48	101½	104½	101½
†Gr. Br. & Can. Invest.	4½	'59	88	91	88
Hamilton Cot.	5½	'48	103	106	103
Ham. By-Prod. Coke	5	'55	98½	101½	98½
Do.	6	'56	97½	100½	97½
†Inter. Paper	6	'55	97	100	98
†Inter. P. & P. Nfld.	5	'68	103	106	103
Inter City Bak.	5½	'48	103	106	103
Inter-City West. Bakeries	6½	'50	54	57	54
†Kingston Elev.	6	'50	98½	101½	98½
Lake St. John P. & P.	5½	'61	100½	103½	100½
Do.	5	'61	81½	84½	82½
†Lond. Can. Inv.	4½	'48	96	99	96
†Maple L. Mill. (Bundles)	5½	'49	83	86	83½
†Massey-Harris	5	'47	97½	100½	99
†McColl-Front.	6	'49	102	105	102
†Mercury Mills	5½	'53	78½	81½	78½
†Mersey Paper	6	'49	99	102	99
‡M. & O. Paper	6	'45	75	78	76½
Mtl. Dry Docks	6	'48	91½	94½	92
Nat'l Grocers	4	'47	100	103	100
†N. A. Elevators	6	'50	96½	99½	96½
Nor. Ont. Bldg.	6½	'39	98½	101½	99
†Price Bros.	5	'57	99	102	99
‡Prov. Paper	5½	'47	102	105	102
Queen's Hotel	6	'47	100	...	100
‡Reliance Grain	4½	'52	96	99	96
†Restigouche Co.	6	'48	111	114	112
Rich. Bay Bldg.	6½	'47	100½	103½	100½
†Rolland Paper	4½	'51	103	106	102½
Ruddy & Co.	6½	'48	97	100	98½
†Simpsons Ltd.	4½	'51	92½	95½	94
†Smith, Howard	4½	'51	102	105	102
†Steel of Canada	6	'40	111	114	111
Sterling Coal	6	'40	92½	...	91½
Stop & Shop	6	'47	73½	77½	72½
•Twin City	5½	'52	80½	83½	82½
United Amuse.	5	'56	98	101	99
United Corp.	5	'53	98	101	98
Unit. Grain Gr.	5	'48	93½	96½	94
Do.	5½	'49	96	99	96½
Union Gas	4½	'50	96½	99½	97
▲Wabasso Cot.	4½	'51	95	98	95
†Western Grain	6	'49	77	80	78
Windsor Hotel	6½	'43	80	83	80
Do.	6	'47	40	43	40
Zimmerknit	6	'51	99	102	99

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▲Payable in Can. or U. K. •Payable in U. S. only.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

May 4, 1937

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, pfd.	5.00	5.25
Acme Farmers Dairy, pfd.	53.00	58.00
Algoma Steel, com.	16.50	17.50
Do., pfd.	81.00	84.00
Andian Nat. Corp.	47.75	48.50
B. C. Pulp & Paper, pfd.	70.00	74.00
Do., com.	15.00	16.50
Brandram-Henderson, com.	3.25	....
Do., pfd.	14.25	....
Burns & Co., A	14.25	15.50
Do., B	6.50	7.50
Can. Tube & Steel, pfd.	78.00	....
Do., com	9.00	10.00
Can. Airways	7.00	8.00
Can. Ingersoll Rand	132.00	135.00
Can. Westinghouse	65.00	67.00
Chase, A. W., pfd. bonus	26.00	28.00
Claude Neon Gen. Adv., pfd.	14.75	....
Conduits Nat., com.	5.25	6.00
Crescent Creamery, pfd.	35.00	37.00
Dom. Found. & Steel, new c.	30.00	31.00
Do., pfd.	99.00	102.00
Dominion Woollens, com.	.70	1.10
Do., pfd.	2.75	3.50
Dunlop Tire, pfd.	....	87.00
Federal Grain, com.	4.25	4.75
Do., pfd.	45.00	48.50
Goderich Elevator	7.50	8.50
Greening Wire, pfd.	103.00	105.00
Guelph Carpet, pfd.	105.50	107.00
Do., com.	25.00	27.00
Hayes Steel Prod., com.	12.00	13.00
Do., pfd.	8.25	9.25
Highland Dairy, com.	1.75	....
Inter City Baking, com.	33.00	35.00
Lake St. John, com.	55.00	57.00
Lake Sulphite Pulp, com.	23.75	24.50
Loblaw's Inc. (U.S.) Units.	61.00	....
McCormick's, com.	4.40	5.00
Do., pfd.	13.00	....
Morrison Brass, pfd. bonus.	11.75	13.50
Mount Royal Hotel, pfd.	3.00	4.25
New Meth., Laund., pf. bon.	90.00	....
Perfection Pete., $1.50 pfd.	18.00	20.00
Provincial Paper, pfd.	106.00	107.50
Reliance Grain, pfd.	100.00	....
Robinson Cons. Cone	9.75	10.75
Ruddy, E. L., pfd.	35.00	41.00
Seal O Sac (Can.)	15.00	20.00
Silverwoods Dairies, pfd.	3.50	4.00
Standard Fuel, com.	7.00	9.00
Do., pfd.	....	102.50
Supertest Petroleum, B pfd.	26.00	28.50
Toronto Carpet, com.	48.00	....
Do., pfd.	51.00	....
United Steel, A pfd.	18.00	19.50
West. Grain, pfd. bonus	10.00	13.50
Weston (Geo.) Foods (Eng.)	2.50	3.00
Wings Limited	1.00	1.50
Trusts and Loan Stocks:		
Chartered Trust	95.00	....
Commercial Finance	2.60	2.90
Guelph Ont. Inv., par $50	50.00	53.00
London & Western Trust	55.00	59.00
Prudential Trust	5.00	....
Sterling Trust	40.00	....
Traders Fin., com.	20.00	....
Do., B pfd. bonus	95.00	99.00
Trusts & Guarantee	32.00	33.00
Insurance Stocks:		
Candaa Life	535.00	545.00
Canadian Ins. Shares	16.00	18.50
Confederation Life, 20% pd.	113.00	....
Dominion Fire	132.00	....
Dom. of Can. Gen.	130.00	140.00
Empire Life, 25% pd.	11.50	13.00
Federal Fire, 25% pd.	40.00	....
Fidelity Ins. of Can.	50.00	....
Great West Life	310.00	330.00
Guar. of N. A., fully pd.	290.00	305.00
Imperial Life	....	355.00
Manufacturers Life	248.00	260.00
Monarch Life, 10% pd.	21.00	23.75
Sovereign Life, 25% pd.	15.00	18.00
Sun Life	650.00	680.00
Western Assurance, com.	50.00	....
Do., pfd.	40.00	43.50
Theatre Stocks:		
Allens Kingston, pfd.	62.00	71.00
Do. Parkdale, pfd.	67.00	....
Do., St. Catharines, pfd.	63.00	....
Do. Tor., pfd. bonus com.	29.00	32.00
Loew's London, pfd.	2.45	2.95
Do. Toronto, pfd.	114.00	120.00
Mansfield Theatre, pfd.	25.00	34.00
Paramount Kitchener, pfd.	60.00	70.00
Do. Oshawa, pfd.	90.00	....
United Amusement, A	26.00	28.00
Do., B	28.50	30.00
Investment Trust Shares:		
Can. Gen. Invest.	10.30	10.55
Can. Investment Fund	4.40	4.80
Can. Investors Corp.	9.25	10.00
Cons. Div. Std. Sec. Units	20.00	23.00
Invest. Found., pfd. bonus	65.00	68.00
Lon. Can. Invest., com.	4.75	5.25
Sec's. Hold. Corp., pfd. bonus	24.50	26.00
United Corpns., A	25.00	26.00
Do., B	28.00	29.75
Power Issues:		
Can. West. Nat. Gas., pfd.	91.00	94.00
Do., com.	26.00	....
Foreign Power Sec's., pfd.	11.00	13.00
Great Lakes Power, pfd.	98.00	100.00
Inter. Util., $1.75 pfd.	16.25	17.50
Montreal Island Pwr., pfd.	19.00	21.50
New Bruns. Telephone, com.	14.25	17.25

Municipal Bonds

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	110.00	113.00	4.15
Hamilton	5	1950	107.00	110.00	4.00
Montreal	5	1945	103.00	105.00	4.25
Ottawa	4½	1945	105.25	107.25	3.50
†Quebec	5	1959	100.00	102.00	4.85
Saint John	5	1950	109.00	111.00	3.95
Toronto	4½	1955	107.00	110.00	3.73
†Vancouver	5	1950	88.00	93.00	5.78
Winnipeg	5	1944	97.00	101.00	4.83

†Payable Can. and N.Y.

Unlisted Mines

May 4, 1937

	Bid	Asked
Alden G.	.32	.34
Albany River	.51	.53
Algold	.38	.40
Alkenore	.19	.21
Ansel	.25	.29
Antler	.18	.20
Alsbach	.05	.07
Altura	.29	.32
Am. Gold	.22	.25
Armistice	.18	.20
Arno	.03	.03½
Athona	..	.20
Arrowhead	..	.40
Area	.02½	.03½
Augite	.26	.27
Bailor	.03½	.04½
Barber L.	.16	.21
Bathurst	.03	.04
Bidla'que	..	.22
Big L. Lac	.04	.05
Big Master	.09½	.11
Bilmac	.20	.22
Baldwin	.02¾	.03¼
Brengold	.09	.11
Bousquet	.03	.03½
Calder B.	.13	.15
Cal. Fl. Flon	.08	.10
Can. Pan.	.09½	.10½
Can. Kirk.	.02½	.03
Cand'lac	.45	.47
Casey Contact	.02	.02½
Cent'cour	..	.30
Chest-vle	1.50	1.90
Coin Lake	.11	.13
Condor O.	.06½	.07
Con. Kirk.	.29	.32
Cooke Lake	.42	.45
Cres. Kirk.	.08	.10
Cuniptau	.08½	.09½
Darwin	..	.24
Dawson	.19	.21
Delosha	.14	.16
Dem. Cad.	.20	.23
Den. Nick.	.34	.37
Desantis	.40	.45
Doreva	.44	.48
Dunlop, new	.08	.10
El. Bon'za	.11½	.12
Electra	.14	.16
Eva Lake	.10	.12
Faulkenham	.40	.45
Fleming	.25	.27
Franklin	.01¾	.02¼
Frontier	.15	.17
Garnet	.03½	.04½
Gate Pat.	.08	.10
Gilbec	.03½	.04
Gold Range	.04	.05
Greenlaw	.02	.03½
Gull Kirk	.03	.03¾
Goldside	.04½	.05
Golden Gate	.44	.46
Gordon Leb.	..	.18
Grenadier	..	.25
Hud. Pat.	.05	.07
Hislop	.13	.15
Horseshoe	.04	.05
Hut. Lake	.20	.23
Hugh Pan.	.26	.28
John Nip.	.05½	.06½
Kath. Lead	..	.32
Kaw Crow	.12	.14
Kenecho	.11	.13
Kenricia	..	.70
Kew'gama	.36	.42
King Kirk.	.02½	.03

UNLISTED MINES—(Continued)

	Bid	Asked
Kir. Vit.	.17	.20
Kirk. Hun.	.02½	.03
Kirk Gate	.12	..
Lafayette	.03½	.04½
Lake Geneva	.68	.72
Lake Rowan	..	.50
Lamaque	7.25	7.50
Lardego	.11	.13
Lavalie	.35	.40
McCuaig	..	.15
Magnet	.12	.14
Mag. Cons.	.25	.30
Malartic	.37	.39
Mar. McN.	.07	.09
Mar. Bird	.90	.93
Margaret	..	.40
Maritime	.30	.34
Mat. Can.	.15	.17
Moffatt	.07	.08
Mc'Farlane	.10½	.11½
McC. Webb	.27	.30
McVittie	.07	.08
Monarch	.17	.19
Mooshla	.33	.42
Mosher	.53	.55
New Roull	.28	.33
Norlake	.10	.12
North Shores	.04	.04¼
Nor. Min.	..	.15
Oklend	.21	.23
O'Leary	.12	.14
Opem. Copper	..	.30
Oriole	.11½	.12
Osoyoos	.45	.50
Ossian	.04	.04½
Pascalis	.25	.30
Payore	.31	.34
Porc. McNabb	..	.09½
P. United	.12	.14
Porc. Lake	..	.31
P. G. Reef	.02½	.03¼
Triumph	.25	.27
P. Rouyn	.12	.14
Potter D.	.02¾	.03¼
Pelangio	.19	.21
Proprietary	2.20	2.30
Quemartic	.18	.20
Quebec Man.	.90	.95
Rajah	.22	.24
Richmac	..	.50
Ribago	.03¾	.04¼
Roeanor	.14	.16
Ronda	..	.20
Rouyn Reward	.07½	.08½
Rubec	.05	.06
Sand River	..	.35
Sante Fe	.40	.45
Schreiber	.09	.11
Shenango	.20	.23
Silver Valley	.15	.17
Skookum	.14	.15
Siscoe	..	.28
Smelter	.04½	.06
Spooner	.20	.22
Stur. River	.33	.36
Springer	.12	.14
Straw Lake	..	.20
Sun Bear	.22	.25
Tonawanda	.07½	.08½
Uchi Lake	.85	.95
Upper Canada	.64	.66
Wascana	.20	.23
Valloc	.08	.09
Wilm'son	.09	.11
Wesley	..	.15
Westside	.10	.11
West. Red Lake	.06	.07
Wendigo	.24	.27
White Horse	.15	.17
Winoga	.20	.23
Woco	..	.20
Young D.	.15	.16
Ypres Cad.	.16	.19

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Municipal—							
Kingston	May	R. A. Daly & Co.	2½%	5-ins.	$40,000	100.73	2.25%
Grimsby, Ont.	May	Isard, Robertson & Co., London	4½%	1938-44	10,802	.....	.....
Dominion—							
Canada Treasury Bills	Apr.		.....	July 31, '37	20,000,000	99.813	.749%
Canada Conversion Loan	May		1%	1939	....	99.25	1.38%
			2%	1942	....	98.25	2.375%
			3¼%	1949	....	99.00	3.35%
Provincial—							
Prince Edward Island	May	Bell, Gouinlock & Co.	3½%	1947	400,000	98.17	3.72%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
Stock Issues—							
National Thrift Corp.	May	Direct	6%	Pref.	1,000 shs.	....	.....
Alfred Lambert, Inc.	May	Rene T. Leclerc, Inc.	6%	Pref.	$212,500	$24.50	6.12%

Government Bonds

Dominion of Canada Bonds

May 5, 1937		Bid	Ask.	Approx. Yld.
†5½	1 Dec. '37	102.25	102.90	.32
2½	15 Oct. '39	101.75	102.50	1.46
4	15 Oct. '39	105.25	106.00	1.50
2	15 Nov. '39	100.75	101.50	1.40
1½	1 June '40	99.75	100.50	1.33
4½	1 Sept. '40	107.65	108.15	1.96
1	15 Mar. '41	97.25	98.00	1.52
5	15 Nov. '41	110.00	110.75	2.48
3	15 Oct. '42	103.00	103.75	2.27
2½	1 June '43	100.00	100.75	2.36
5	15 Oct. '43	111.00	111.75	2.99
4½	15 Oct. '44	108.50	109.25	3.10
2½	15 Aug. '45	98.50	99.25	2.60
4	15 Oct. '45	105.25	106.00	▲2.97
4½	1 Feb. '46	108.50	109.25	3.29
3½	15 Oct. '49	101.50	102.00	▲3.19
4	15 Oct. '52	104.50	105.25	▲3.40
3	1 June '55	95.50	96.00	3.29
4½	1 Nov. '56	107.50	108.25	▲3.47
4½	1 Nov. '57	107.50	108.25	▲3.58
4½	1 Nov. '58	108.00	108.75	▲3.57
4½	1 Nov. '59	108.25	109.00	▲3.60
3¼	15 Jan. '61	98.50	99.25	3.29
3¼	1 June '66	95.50	96.00	3.47
3	Perp. bds.	86.25	86.75	3.46

Dominion Guaranteed Bonds

Canadian National Railway:

		Bid	Ask.	Yld.
3	1 May '44	100.25	101.25	2.80
3	15 Dec. '50	95.25	96.25	3.34
3	15 Feb. '53	94.25	95.25	3.39
*4½	1 Sept. '51	110.25	111.25	3.50
*4½	1 Feb. '56	110.75	111.75	3.63
*4½	1 July '57	110.00	111.00	3.75
*4¾	15 June '55	113.25	114.25	3.68
5	1 Feb. '54	113.75	114.75	3.82
*5	1 July '69	113.50	114.50	▲3.33
*5	1 Oct. '69	115.50	116.50	▲3.66

Provincial Government Bonds

		Bid	Ask.	Yld.
New Brunswick:				
4	1 Sept. '54	100.00	102.00	3.84
†4½	15 Apr. '61	105.50	106.50	4.07
†5	15 Jan. '60	112.00	114.00	4.06
Nova Scotia:				
3	2 Sept. '45	96.00	98.00	3.27
4½	15 May '43	105.00	107.00	3.22
†4½	15 Sept. '52	106.00	108.00	▲3.58
†5	1 Mar. '60	113.00	115.00	3.99
Ontario:				
*3	1 Dec. '51	93.00	94.00	3.47
*4	1 June '62	101.50	103.50	3.78
4½	1 June '50	107.50	108.50	3.69
*4½	15 Jan. '62	108.00	110.00	3.87
5	15 Oct. '48	111.75	112.75	3.64
*5	2 Dec. '60	115.50	117.00	3.90
5½	1 July '46	114.00	115.00	3.62
Ont. Hydro Comm.:				
3½	1 Apr. '47	100.00	101.00	3.37
4¾	1 Jan. '70	112.00	113.50	4.01
Prince Edward Island:				
3	1 Oct. '45	96.00	98.00	3.27
Quebec:				
4	15 Mar. '52	103.00	105.00	3.57
4¼	1 Aug. '58	106.00	108.00	3.71
4½	2 Jan. '63	108.00	110.00	3.88
Alberta:				
4	15 Dec. '54	58.00	60.00	§
†4	1 Dec. '57	58.00	60.00	§
4½	1 Oct. '51	69.00	72.00	§
†4½	1 Oct. '56	60.00	62.00	§
†5	1 Jan. '48	63.00	65.00	§
5	1 Sept. '55	61.50	63.00	§
*5	1 Oct. '59	62.00	64.00	§
†5½	1 Jan. '47	63.00	66.00	§
6	1 Mar. '47	67.00	69.00	§
British Columbia:				
†4	1 Dec. '57	92.00	93.00	4.52
*4½	15 Jan. '51	97.50	98.50	4.65
†4½	1 Oct. '53	94.50	95.75	4.87
†5	15 Jan. '48	99.00	100.00	5.00
5	1 Sept. '53	99.00	100.00	5.00
5½	1 Feb. '45	100.00	101.00	5.36
6	15 Feb. '47	101.00	102.25	5.70
Manitoba:				
4	2 Jan. '50	85.00	86.00	5.52
†4	1 Dec. '57	85.00	86.50	5.05
†4½	15 Dec. '56	88.00	90.00	5.32
†5	15 June '54	93.50	90.00	5.45
*5	2 Dec. '59	95.00	97.00	5.22
5½	1 Oct. '55	93.00	95.00	5.95
6	1 Apr. '47	96.50	98.00	6.27
Saskatchewan:				
4	15 Aug. '53	79.00	80.50	5.85
4	1 Nov. '60	76.25	77.50	5.75
*4½	2 July '45	89.00	90.00	6.07
†4½	1 Oct. '51	89.50	90.50	5.45
†4½	15 Mar. '60	82.00	83.50	5.81
5	1 Aug. '58	85.00	86.50	6.14
†5½	15 Nov. '46	90.50	92.00	6.65
5½	1 Oct. '52	89.00	90.50	6.48
6	15 Mar. '52	93.00	94.25	6.61

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can & N.Y. ■Payable N.Y. ‡Exempt from Dominion income tax. ♦Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%. •Calculated to maturity, although callable prior to that date.

Winnipeg Stocks

(Transactions from Apr. 26 to May 1)

	Sales	High for period	Low for period	Close May 1
Beaver Lumber	50	5.25	5.25	5.25
Do., pref.	13	101.50	101.50	101.50
Cres. Cream., p.	15	37.00	37.00	37.00
Flin Flon	6,800	.10½	.08	.09
Gt. Falls M. ...	400	.15	.15	.15
Gold Lake	7,044	.04½	.03	.03½
Gurney Gold	12,760	.41	.34	.35
Gt.-West Life..	10	340.00	340.00	340.00
Herb Lake	5,000	.17	.17	.17
Home Invest. ..	20	20.50	20.50	20.50
Northern Trust	75	6.00	6.00	6.00
Marvel Oils	1,500	.09	.09	.09
Ore Grande ...	18,000	.10	.04½	.08
Packsack	7,700	.15	.10	.15
Sachigo	340	17.50	15.00	17.50
Star Lake	8,500	.02½	.02½	.02½
United Grain ..	63	10.25	10.00	10.00
Wpg R. Tin ...	500	.02	.02	.02
Wylie Dom. ...	2,500	.34	.30	.30
Wingold	5,600	.06	.05	.05½
West. Breweries	215	1.35	1.35	1.35
West. Steel, pf..	10	12.00	12.00	12.00
Wings, Ltd.	500	1.50	1.45	1.45

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	..	100
Can. Indemnity	125	.
Federal Grain, pfd.	45	..
Northern Can Mtge., pf. ...	3	..
Traders Bldg.	92	..

*Stocks more active on other exchanges not included.

Mining Dividends

	Rate	Close May 3	Yield %
Anglo-Huronian	20c	6.25	..
Beattie Gold	†5c	1.32	..
Bralorne	40c+15c	6.95	..
Buff. Ankerite	50c+5c	9.00	6.1
Bulolo Gold	‡1.40	26.00	..
Cariboo	10c	1.55	6.4
Central Patricia	4c	3.25	..
Coniagas	12½c	2.85	..
Cons. Smelters	$1+$1	80.50	..
Dome Mines	$2+$2	41.12	*9.7
Falconbridge	30c	8.10	3.7
Hollinger	65c+45c	12.00	*9.1
Howey Gold	2c	.39	..
Hudson Bay	$1	30.00	..
Island Mountain	‡10c	.74	..
Int. Coal & Coke ...	‡1c	.21	..
Inter. Nickel, com. .	$2	60.12	3.3
Inter. Mining	15c	12.00	..
Kirk.-Lake	‡3c	1.47	..
Lake Shore	$4+$1	50.12	*.10
Lava Cap M.	2c	.88	..
Little Long Lac	20c	5.60	..
Macassa	15c	5.70	2.4
McIntyre	$2	34.65	5.8
McKenzie Red Lake	4c	1.30	..
McKinley Sec.	5c	.55	..
McWatters Gold	5c	.65	..
Noranda	$3	63.50	..
Nor. Can Mining ...	2c	.80	..
Nipissing	25c	2.45	..
Premier	12c+1c	2.79	*4.6
Pioneer, B.C.	25c	4.60	..
Pickle Crow	§5c	6.25	..
Reno	12c	1.00	..
San Antonio	‡5c	1.60	..
Sheep Creek	8c	.80	.10
Siscoe	20c+1c	4.05	*5.2
Sudbury Basin	10c	4.45	..
Sullivan Cons.	2½c	1.42	..
Sylvanite	20c+5c	3.20	*7.8
Teck Hughes	40c+5c	5.25	*8.6
Toburn	8c	2.35	3.4
Ventures	2½c+2½c	1.99	..
Wright-Har.	40c+20c•	6.80	*8.8
Ymir Yankee Girl ..	5c	.26½	..

‡Interim. †Initial.
*Yield includes bonus.
•Includes 10c. interim paid Feb. 1 and extra of 10c.
§In addition the company has declared an increased dividend of 10 cents per share payable June 30, 1937.

Listed Bonds

Week Ended May 3, 1937

	Int. rate	Due	High	Low	Range 1937 High	Range 1937 Low
Mtl. L. H. & P. Debs.	3	'39	501	501	501	501

DIVIDEND NOTICES

Loblaw Groceterias Co. Limited

NOTICE is hereby given that a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "A" shares, and a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "B" shares of the Company have been declared for the quarter ending May 31st, 1937, payable on the 1st day of June, 1937, to shareholders of record at the close of business on the 10th day of May, 1937. Payment will be made in Canadian funds.

D. URQUHART,
Secretary.

Toronto, April 29th, 1937.

Royalite Oil Company Limited

Notice of Dividend Number Eighteen and of a Special Disbursement of Twenty-five Cents Per Share

Notice is hereby given that a regular Dividend of Fifty Cents per share, and a Special Disbursement of Twenty-Five Cents per share, have been declared payable to the Shareholders of the Company of record, as such, on the books of the Company, at the close of business on Saturday, the 15th day of May, 1937, and that the said Dividend and Special Disbursement will be payable on or after Tuesday, the 1st day of June, 1937.

The Register of Transfers will be closed from the close of business on Saturday, the 15th day of May, 1937, until the opening of business on Tuesday, the 25th day of May, 1937.

By Order of the Board,
T. E. BURNS,
Secretary.

Calgary, Alberta.
29th April, 1937.

Northern Canada Mining Corporation, Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Two Cents (.02c.) per share on the outstanding capital stock of the corporation has been declared by the Directors of the Corporation payable June 1st, 1937, to shareholders of record at the close of business on May 8th, 1937. The Canadian five per cent (5%) tax will be deducted from dividends paid to non-residents.

Shareholders are particularly requested to see that certificates held by them are properly registered on the books of the corporation. As mentioned above, the dividend is payable to shareholders of record on May 8th, 1937. Our transfer agents are The Trusts and Guarantee Company, Limited, 302 Bay Street, Toronto, Ontario.

By Order of the Board.
H. F. Cassidy,
Secretary.

The Corrugated Paper Box Company, Limited

PREFERRED STOCK DIVIDEND NO. 17

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of the Company, payable on the 1st day of June, 1937, to shareholders of record at the close of business on the 15th day of May, 1937.

Dated the 29th day of April, 1937.

J. A. WHEALY,
Secretary.

George Weston Limited

Common Dividend No. 30

Notice is hereby given that a dividend of Twenty cents (20c) per share has been declared on the common stock of this Company, payable on the 2nd day of July, 1937, to shareholders of record at the close of business on the 19th June, 1937.

R. A. ROBERTSON,
Secretary.

Toronto, April 29th, 1937.

The Canadian Bank of Commerce

DIVIDEND No. 200

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1937, and that the same will be payable at the Bank and its Branches on and after Monday, 1st March next, to shareholders of record at the close of business on the 30th January, 1937. The Transfer Books will not be closed.

By Order of the Board,
A. E. ARSCOTT,
General Manager

Toronto, 22nd January, 1937.

Banque Canadienne Nationale

DIVIDEND NOTICE

Notice is hereby given that a dividend of two per cent (2%) (being at the rate of 8% per annum) has been declared by the Directors of the Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of May, 1937. This dividend, bearing the number 185, will be payable at the Main office or at the branches of the Bank, on or after the first day of June, 1937, to the shareholders of record on May 15, 1937.

By order of the Board,
CHARLES ST-PIERRE,
General Manager.

Borden's

COMMON DIVIDEND
No. 109

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable June 1, 1937, to stockholders of record at the close of business May 15, 1937. Checks will be mailed.

The Borden Company
E. L. NOETZEL, *Treasurer*

A.J.Pattison, Jr. & Co. Limited
Established 1907
For thirty years we have rendered a Standardized Service to
BANKS, INSURANCE AND TRUST COMPANIES, BROKERS, INDUSTRIAL CORPORATIONS AND INDIVIDUALS
IN BUYING AND SELLING
INDUSTRIAL AND PUBLIC UTILITY STOCKS AND BONDS
Royal Bank EL. 5101 TORONTO

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass, pf.	$1.75	July 2	June 15
Aluminium, pfd. .	$1.50	June 1	May 15
Do., arrears	$3.75	June 1	May 15
Anglo Huronian ..	20c	June 1	May 15
Assoc. Tel., 6% pfd.	42c	May 15	May 1
Do., 7% pref. ...	49c	May 15	May 1
Bk. Can. Nationale	$2	June 1	May 15
Borden Co.	40c	June 1	May 15
Brewers & Distil. .	40c	May 20	May 1
Do., bonus	10c	May 20	May 1
Bk. of Toronto	$2.50	June 1	May 15
Buff. Ankerite	12½c	May 15	May 1
Do., extra	5c	May 15	May 1
Bk. of Montreal ..	$2	June 1	Apr. 30
Beattie Gold	5c	June 1	May 15
B. A. Oil	25c	July 2	June 16
Can. Bk. of Comm.	$2	June 1	Apr. 30
Canadian Oil	12½c	May 15	May 1
Do., pref.	$2	July 1	June 19
Cosmos Imp.	25c	May 15	Apr. 30
Do., pref.	$1.25	July 15	June 30
Celanese of Amer., part. pfd.	$3.50	June 30	June 15
Can. Converters ...	50c	May 15	Apr. 30
Corr. Paper Box, pf.	$1.75	June 1	May 15
Crow's Nest Coal ..	$3	June 1	May 7
Canada Malting ..	37½c	June 15	May 31
Canada Vinegars ..	30c	June 1	May 15
Can. W. & Cable, pf.	$2	June 18	May 31
Can. For. Invest. ..	40c	July 1	May 15
Do., extra	40c	July 1	May 15
Do., pref.	$2	July 1	May 15
Dome Mines	50c	July 20	June 30
Do., extra	$2	July 20	June 30
Dom. Bridge	30c	May 15	Apr. 30
Ford Motor	25c	June 19	May 29
Gurd, Chas., pf. ..	$1.75	May 15	May 1
Guelph Carpet, pf.	$1.62½	May 1	Apr. 20
Hollinger Cons. ...	5c	May 20	May 6
Humberstone Shoe.	50c	May 1	Apr. 15
Hydro-Elec. Sec. ..	20c	May 11	Apr. 20
Int. Utilities, pf. ..	$1.75	May	Apr. 22
Do., $3.50 pfd.	87½c	May 1	Apr. 22
Inter. Nickel, pfd...	$1.75	May 1	Apr. 1
Inter. Nickel, com. .	50c	June 30	June 1
Kirkland L. G. ..	3c	June 1	May 15
Loblaw, A & B ...	25c	June 1	May 10
Do., extra	12½c	June 1	May 10
Lake of Woods Mill. pfd.	$1.75	June 1	May 15
Little Long Lac	10c	May 15	May 5
McIntyre-Porc.	50c	June 1	May 1
McKenzie R Lake	4c	June 15	June 1
McKinley Min. Sec.	2½c	June 1	May 15
McColl-Fron.	10c	June 15	May 15
Nor. Can. Mining ..	2c	June 1	May 8
Ont. Steel, pfd.	$1.75	May 15	May 7
Do., arrears	$5.25	May 15	May 7
Penmans	75c	May 15	May 5
Rolland Pap.	25c	May 15	May 5
Do., pref.	$1.50	June 1	May 15
Royalite Oil	50c	June 1	May 15
Do., extra	25c	June 1	May 15
Royal Bank	$2	June 1	Apr. 30
Quebec Pwr.	25c	May 15	Apr. 28
Shawinigan W. & P.	20c	May 15	Apr. 28
South. Can. Pwr., c.	20c	May 15	Apr. 30
Sullivan Cons. M. ..	2½c	June 15	June 1
Simpsons, pfd.	$1.25	May 1	Apr. 24
Stand. Steel, A pf.	75c	July 1	June 15
Do., arrears	75c	July 1	June 15
Third Can. Gen. Inv.	9c	May 15	Apr. 30
Vulcan Oils	5c	June 15	June 1
Toburn Gold	2c	May 21	Apr. 21
United Corp.	▲75c	May 15	Apr. 30
Toronto Elevators ..	$1	May 15	May 5
Do., pref.	68c	June 7	May 22
Wood, Al. & J., p.	▲$1.75	May 5	Apr. 30
Weston, Geo., c. ...	20c	July 2	June 19
▲On arrears.			
St. Lawrence Flour	25c	May 1	Apr. 20
Do., pfd.	$1.75	May 1	Apr. 20

DIVIDEND NOTICES

Canada Wire and Cable Company Limited

DIVIDEND NOTICE

Notice is hereby given that an Interim Dividend of $2.00 per share has been declared on account of arrears of dividends on the outstanding Preference Shares of this Company, payable June 18th, 1937, to shareholders of record May 31st, 1937.

By order of the Board.
WILLIAM H. MARSH,
Secretary.

ANGLO-HURONIAN LIMITED

DIVIDEND NO. 5

NOTICE IS HEREBY GIVEN that a dividend of Twenty (20c) cents per share, in Canadian funds, on the issued Capital Stock of the Company, has been declared payable June 1st, 1937, to shareholders of record at the close of business May 15th, 1937.

J. INGRAM,
Secretary-Treasurer.

Toronto, May 1st, 1937.

Vulcan Oils Ltd.

Notice is hereby given that a dividend of FIVE CENTS (5c) per share has been declared on the issued Capital stock of the Company payable on the 15th day of June, 1937, to shareholders of record at the close of business June 1st, 1937.

The books of the company will be closed from the 1st day of June, 1937, to the 15th day of June, 1937, both days inclusive.

A. J. FLOOD,
Secretary-Treasurer

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 292

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 20th day of May, 1937 to shareholders of record at the close of business on the 6th day of May, 1937.

Dated the 29th day of April, 1937.

I McIVOR,
Assistant-Treasurer.

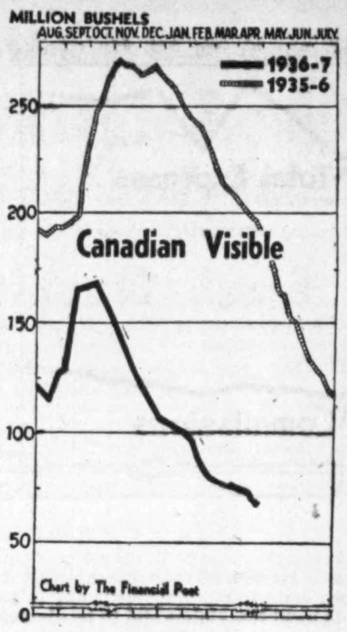
McCOLL-FRONTENAC OIL COMPANY LIMITED

Common Stock Dividend No. 31

NOTICE IS HEREBY GIVEN that a dividend of 10 cents per share has been declared on the no par value Common Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending May 15th, 1937, payable June 15th 1937, to shareholders of record at the close of business on May 15th, 1937.

By Order of the Board,
FRED HUNT,
Secretary.

April 28th, 1937.



GETTING OUT

Canada appears to be steadily clearing her bins of wheat in preparation for the new crop year which commences Aug. 1. Holdings of Canadian grain in United States storage in anticipation of heavy purchases in that country are also being liquidated. Some of the latter wheat has been returned to Canada again. Visible declined by over three million bushels last week.

Details in bushels are as follows:

Week of April 30	Week Previous	Last Year
72,228,000	75,672,000	199,417,000

Export Clearances*

Week of April 30	Week Previous	Last Year
2,644,319	1,774,379	4,550,665

*Plus U. S0 imports.

Week in Wheat

Export Demand Revives For Canadian Wheat

Europe Impressed With Low Supply — Western Crop Off to Good Start But Rain Would be Welcome

From Our Own Correspondent

WINNIPEG.—The past few days have shown evidence of the long-expected improvement in demand for export of Canadian wheat. Buying from overseas has been substantial. Europe appears to be impressed by the low stage to which supply of Canadian wheat has now been reduced.

The market continues to be very sensitive to weather influences, especially as relating to alternating hopes and fears for the outcome of the United States winter wheat crop.

The small quantity of wheat available for movement down the lakes has resulted in the Fort William to Montreal lake freight being lowered to three cents a bushel, with bookings comparatively light even at that rate.

Seeding has progressed rapidly throughout western Canada and in several districts it is entirely completed so far as wheat is concerned. Some of the early sown crop is already sprouting in Manitoba. The latter province is well supplied with moisture, but there is a good deal of anxiety in the greater part of both Saskatchewan and Alberta. Practically everywhere in these provinces there is sufficient moisture to start germination, but little more.

New Crop Basis Now

As anticipated, no deliveries were made through the clearing house on the May futures contract when the contract month opened. All grades of wheat are commanding a premium over the delivery basis. Cash premiums, however, when compared with either May or July prices, are not as large as many observers expected them to be by the time navigation was in full swing.

Essentially, the market is on a new crop, not old crop basis. While Canada's carryover is expected to be small by July 31, there is nothing to prove that there will be any real scarcity of Canadian wheat before the first North American hard wheat is ready to be shipped from Gulf ports during July.

Argentina upset earlier calculations by shipping so large a part of her export wheat during the early part of the season, thus reducing the anticipated demand for Canadian wheat during March and April. Within a short time there will be practically no Argentine grain available for export to Europe. This will mean a clearer field for North America, but the imminence of new United States crop will likely prevent a complete Canadian clean up now.

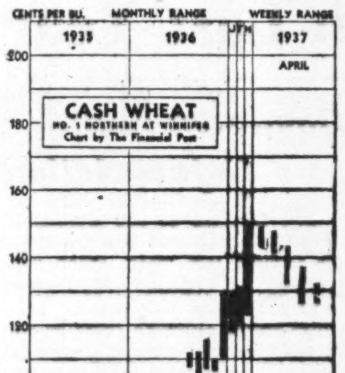
U. S. Anxious

The primary source of interest in the world wheat market is now in the United States. Developments in the winter wheat belt there are being watched closely. Anxiety over the conditions in Kansas and Nebraska caused a sharp up-turn in prices last week. Possible deterioration in prospects amounting to some 50 million bushels was reported. Weather markets are traditionally sensitive, and sharp market fluctuations may be expected to continue for several weeks.

The Chicago market, running close to the level of Winnipeg, is now discounting expectation that the United States will export wheat during the next crop year. But it may make a considerable difference to world prices whether the United States has 50 or 100 million bushels to sell.

Considerable quantities of Canadian wheat, stored in United States terminals for anticipated milling in that country, are being returned to transatlantic export channels. This has reduced the shipping demand for wheat from the head of the lakes.

Wheat Prices



(Cash Quotations)

	For Week May 4 High	For Week May 4 Low	Prev. Week High	Prev. Week Low
1 Man. Hard ...	1.33¼	1.29½	1.37¼	1.28
1 Northern	1.33⅛	1.29⅜	1.37	1.27⅝
2 Northern	1.30⅝	1.26¾	1.34¼	1.25
3 Northern	1.26⅞	1.22¼	1.30½	1.20⅞
4 Northern	1.24⅛	1.20¼	1.28	1.18¾
5 Wheat	1.18⅛	1.14⅜	1.21¾	1.21½
6 Wheat	1.09⅛	1.03⅜	1.13¾	1.04½
Feed Wheat	.84¼	.79⅜	.91¾	.82½
Vancouver: Week to May 3:				
1 Northern	1.28⅛	1.24¼	1.31¾	1.22½

Competitive Export Prices:

May shipments—	Week to May 1 High	Week to May 1 Low
No. 1 Nortn. (afloat)	unquoted	
No. 1 North. (Atlan.) ...	1.50¼	1.47⅜
No. 2 U. S. Hard*	1.43¼	1.39
No. 2 North. (Atlan.) ...	1.48⅜	1.45⅛
West Australian (afloat)	1.40⅛	1.35⅝
Australian	1.38⅝	1.35¼
Argentine Rosafe†	1.44¾	1.37⅛
Indian (new crop)†	1.38⅝	1.35⅝

†June shipment. *August.

Winnipeg Grain Futures

Week to May 4, 1937

Crop year from Aug. 1, 1936 High	Low		Open Apr. 28	High for week	Low for week	Close May 4
		Wheat				
1.51⅝	1.05⅝	May	1.28½	1.33¾	1.25¾	1.31
1.47	1.03¾	July	1.26⅛	1.31⅜	1.23½	1.28⅞
1.31¼	1.04⅛	Oct.	1.15¼	1.20¼	1.12¾	1.18
		Oats				
.63⅜	.42¼	May	.55¼	.57¼	.54¾	.55⅝
.60¾	.43⅝	July	.51¾	.53	.50¾	.52¼
.54¾	.42¼	Oct.	.45	.45⅞	.43¼	.45
		Barley				
.88⅛	.50⅞	May	.69	.75⅛	.68⅛	.72½
.82⅛	.56¾	July	.63½	.67⅞	.61¾	.67⅝
.75¼	.51	Oct.	.53¼	.57	.52⅛	.55¾
		Flax				
2.03½	1.60½	May	1.73	1.76	1.71½	1.75½
2.05	1.63¼	July	1.75¼	1.77½	1.73¼	1.77
2.01	1.70	Oct.	......	1.78½	1.73½	1.76¼
		Rye				
1.21¼	.62⅜	May	1.10	1.16⅞	1.08⅝	1.12⅜
1.19	.78¼	July	1.04½	1.10¾	1.04	1.08⅛
1.04½	.83	Oct.	.87⅛	.90⅛	.86¼	.88

LONG-TIME RAINFALL OVER WESTERN CANADA

ALL authorities agree that the rainfall which occurs during the fall months and during the growing season is the most important factor affecting the yield per acre of Western crops.

The Searle Grain Company has collected and compiled the annual precipitation that has occurred at over 187 points in Western Canada, since the time each rain gauge station started to operate. This data has been charted in the form of a map so that the eye is able to picture readily the areas which, over a long-time period, on the average, have enjoyed excellent, adequate or poor rainfall, respectively.

A copy of the chart with full explanation, and details of the average annual rainfall for each point, will be sent upon application to any person who may be interested in this study.

SEARLE GRAIN COMPANY LIMITED
WINNIPEG SASKATOON CALGARY EDMONTON

Pool Leaders Now Repudiate Sale Monopoly

Compulsory Marketing No Longer Seen as Panacea

From Our Own Correspondent

WINNIPEG. — Highlight of the Turgeon Grain Commission at Calgary was the determined repudiation of former Pool doctrine by Paul Bredt, president of Manitoba Pool elevators and a member of the executive of the Pool Central Selling Agency.

For the past few years the Pool leaders have been demanding a compulsory national wheat board for the marketing of all Canada's wheat, and there has been a good deal of curiosity as to whether they would now attempt to revive the old form of wheat pooling, or would advocate the type of limited wheat board which has actually been in effect since 1935.

Compulsion Out

The door seems to have been definitely slammed on any possible revival of wheat pooling by the declaration in the Wheat Pool brief, last week, that only under certain circumstances can such a pool operate satisfactorily. With equal firmness the idea of a compulsory pool, under grower management, but without Government support, such as the pools advocated some years ago, was repudiated. No marketing control, stated Mr. Bredt, would enable a pool to obtain satisfactory prices during some periods.

Winnipeg opinion is that such a frank avowal of the purpose behind the claim for a wheat board will tend both to decrease the demand for it, and to remove finally any possibility of its securing support outside of western Canada.

McFarland Is Aggressive

Mr. Bredt's moderate testimony was in sharp contrast to that of John I. McFarland, former head of the Wheat Board, who appeared before the Commission this week. Mr. McFarland's brief was evidence of his actions, highly aggressive in tone. He attributed all criticism which had been made to political motives arising in 1935 out of an approaching election. He defended the wheat pools as having been innocent of any responsibility for increasing wheat carryovers prior to his taking office. He attacked the futures market system as no longer capable of taking care of the problem of marketing Canada's wheat, and declared that something else must be devised, although he did not, in his original presentation, indicate what he had in mind. He also pronounced in favor of holding over supplies from years of heavy production for subsequent marketing.

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COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
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WINNIPEG, MAN.
COUNTRY ELEVATORS IN THE WESTERN PROVINCES TO SUPPLY SELECTED OATS, BULK OR SACKED, FOR LAKEHEAD SHIPMENTS FOR EASTERN TRADE
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Group Policy Volumes Up

Most Life Companies Report More New Business

Volume of new group insurance written in Canada last year increased 38% in comparison with 1935. Official figures recently compiled by the federal department of insurance place the total at $24.7 millions, as against $17.9 millions in the previous year.

A feature of the year's operations was a considerable increase in additional business to policies already in force. This gain is regarded as a direct reflection of improvement in general business conditions, which enables employees of various companies with group insurance plans in operation to extend their coverage.

Fifteen of the 23 companies which reported new business in either 1936 or 1935 had larger sales in comparison with the preceding year, as against 11 companies in 1935. Once again, Sun Life is the largest individual underwriter of this class of business with a total of $5.8 millions effected in 1936, an increase of $600,000.

In second place ranks Canada Life, which registered one of the largest gains of the year to $4.1 millions. Third place is occupied by a new comer to the leading companies, Dominion Life. This company wrote two big new contracts last year involving more than $2.8 millions. Metropolitan Life, with $2.6 millions and London Life with $2.4 millions were the only other companies to top the $2 millions mark.

Total group insurance in force in the Dominion at the year end amounted to $552.1 millions, up from $509.4 millions in 1935. On this basis, Sun Life is far in the lead, reporting business in force of $188.3 millions, considerably more than double that of the Meropolitan Life, which is next in line with $78.1 millions. Canada, Aetna, London and Travelers follow in that order. Largest increases during the year were experienced by the Sun, Metropolitan, Canada, Dominion and Confederation.

NEW SUPERINTENDENT

E. B. Maclatchy, whose appointment as superintendent of insurance for the province of New Brunswick has just been announced. Mr. Maclatchy was formerly in the attorney-general's department. The appointment follows proclamation last week of New Brunswick's new insurance act.

Analysis of group business by Canadian companies in other countries also showed a very large increase in 1936. New business written last year jumped to $14.7 millions from just under $10 millions in the previous year. The advance is attributable to gains by the Sun Life and the Confederation Life, as the other companies report smaller volume. Total group business in force abroad exceeds that of the preceding year by almost $22 millions, of which $21 millions represents business of the Sun Life.

Comparative figures follow:

Group Insurance in Canada

	New Business 1936	New Business 1935	Business in Force, Dec. 31 1936	Business in Force, Dec. 31 1935
	—Net Amount—		—Net Amount—	
	$	$	$	$
Aetna	951,900	1,368,500	62,053,095	40,511,869
Canada	4,097,169	2,129,263	71,134,266	67,873,759
Commercial	....	36,000	2,217,650	2,225,200
Confederation	1,077,533	756,458	20,486,869	18,812,975
Continental	77,100	....	151,100	60,500
Crown	17,500	28,000	471,360	452,720
Dominion	2,833,000	10,000	4,569,453	1,858,433
Dom. of Canada	....	....	207,738	212,838
Equitable	....	....	97,500	2,219,500
Equitable of U. S.	....	....	2,313,500	2,219,500
Great-West	1,382,655	251,500	17,973,956	17,220,856
Imperial	417,840	195,000	1,491,895	2,434,000
London	2,434,101	1,889,259	35,231,189	34,558,829
Manufacturers	162,500	86,000	6,613,331	6,357,462
Metropolitan	2,628,953	2,417,896	78,072,947	73,472,692
Montreal	75,718	150,973	3,514,408	3,570,052
Mutual of Canada	591,878	452,792	10,342,172	9,506,126
National	49,000	347,000	972,555	1,339,790
North American	183,500	850,000	2,845,437	3,146,715
Northern	212,500	97,500	1,969,150	1,760,650
Occidental	465,000	....	482,000	....
Prud. of America	937,936	559,000	14,142,377	13,311,269
Prud. of London	....	490,000	1,315,000	1,343,500
Saskatchewan	25,000	....	130,000	110,000
Sauvegarde	....	....	....	562,350
Sun	5,784,090	5,188,150	188,344,884	183,231,017
Travelers	298,800	620,700	24,913,653	23,290,409
Total	24,703,673	17,903,993	552,057,995	509,388,511

Group Insurance Sold Abroad by Canadian Companies

	New Business 1936	New Business 1935	Business in Force, Dec. 31 1936	Business in Force, Dec. 31 1935
	—Net Amount—		—Net Amount—	
	$	$	$	$
Canada	153,536	210,500	11,873,053	11,625,182
Confederation	887,890	74,460	2,111,586	1,177,230
Crown	....	....	14,500	16,500
Dominion	....	....	127,000	135,000
Great-West	281,500	350,000	17,074,825	17,728,175
Imperial	....	150,000	393,500	402,500
Manufacturers	188,500	352,182	2,284,506	2,134,349
Montreal	....	....	26,000	27,000
Sun	13,170,255	8,843,533	188,552,469	167,464,702
Total	14,681,681	9,980,675	222,457,439	200,710,638

RELIANCE
INSURANCE COMPANY
of
CANADA
· Montreal ·
Property Insurance

Insurance Inklings

W. TURLEY has been appointed inspector of the inland transportation automobile and plate glass departments of the Great American Insurance Co., operating from head office in Montreal.

J. B. MATTHEWS has joined the George H. Kennedy Insurance Agency.

* * *

Pearl Assurance Co. and **Eureka-Security Fire & Marine Insurance Co.** have moved their Canadian head office to the new Victory building, 80 Richmond St. W., Toronto.

Defer Premiums Of Flood Victims

London Life policyholders who have been hard hit by the floods which recently swept western Ontario will be given ample time to pay the premiums on their insurance.

Many of the flood victims are numbered on the policy rolls of the company, particularly in the area about London, where about 6,000 persons were forced from their homes. Immediately following the deluge, all policyholders were assured that their interests would be protected and a temporary moratorium declared for premium payments "covering a period to allow people to become re-established."

Insurance Body Is Now Corporate

Canadian Underwriters Ass'n Comes Under Dominion Law

The Canadian Underwriters Association has been incorporated under the Dominion Companies Act. Up to the present the association has operated as an unincorporated body.

Purpose of the association as laid down in the notice of incorporation, is to acquire all the undertakings and assets of the Canadian Fire Underwriters Association, the Canadian Casualty Underwriters Association, the Canadian Automobile Underwriters Association and the Canadian Underwriters Association. It will be recalled that the first three of these were merged in the fall of 1935 into the last named association.

Outline Objects

Objects are: "To promote a high ethical standard in the conduct of the business of insurance, to develop the confidence and respect of the public and to support and maintain sound principles, correct practices and security in the insurance business, in order that the public interest may best be served, by means of an association of companies transacting any class of insurance other than life, ocean marine and inland transportation, united for the purposes of combining their experience for study and analysis, of establishing equitable premium rates, of preserving economy in the promulgation of premium rates and forms, of making maps, plans, surveys and inspections, of carrying on such other necessary operations as may be performed by one organization for the use and benefit of all, and, recognizing insurance as a common necessity, of avoiding unfair discrimination between risks of essentially the same hazard or in services rendered."

Head office of the association will be alternately in Toronto and Montreal.

Powell River Co. Enters Pulp Business

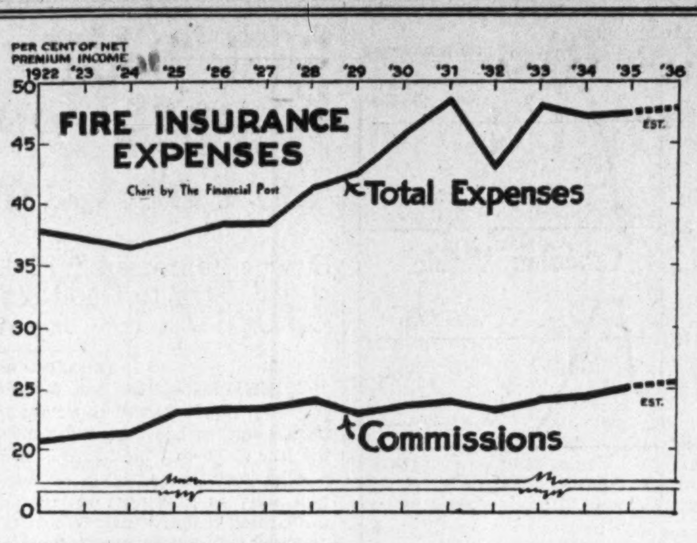
Powell River Co., largest producer of newsprint in British Columbia, announces it will spend $400,000 to enter the export pulp field.

Work has begun on installation of machinery to produce dry, unbleached sulphite pulp. The new machinery will have a capacity of 30,000 tons a year when running at full production.

It is anticipated a large part of the unbleached product will find a market in the Orient, especially in Japan.

New Branch Bank

The Bank of Montreal has opened a new branch office at Senneterre, Que., under the management of J. R. Gervais.



RISING BUSINESS COSTS

Rising commission and expense ratios are two of the largest thorns in the side of fire and casualty insurance companies. Obviously, the more paid out in this way, the less remains to meet loss claims and to be divided as profits.

In actual amount, outlay for commissions and other expenses is less now than six or seven years ago. During that time, however, there has been very substantial reduction of premium income. Consequently, the proportionate cost of these items has increased materially. Fifteen years ago, the average fire company operating in Canada could count on paying out about 38 cents of every dollar received as premium in commission and general expense. Now, more than 47 cents is required.

Because the ratio of commissions to premium income has risen, it does not necessarily follow that the lot of the agent has shown corresponding improvement. Offsetting the apparent advantage is the reduction in the volume of business he handles.

In the chart above is shown the trend of both commissions and total expenses over the last 15 years. No final figures are yet available for 1936, the estimate of a small increase being based largely on a further reduction in business written. It will be noted that commissions and brokerage paid by the companies during the period have shown fairly steady advance from just under 21% to slightly more than 25% of premium income. Other expenses have risen from 17% to 22%. Premium volume in 1922 was $52.8 millions, rising to a peak of $62.6 millions in 1929 and showing steady decline to less than $45 millions in 1936.

Trust and Loan Profits Show Gain Last Year

Assets of Trust Group Are Up—Loan Figures Drop

DIVIDENDS DROP

Assets of loan corporations registered in Ontario decreased $6.6 millions in 1936. In the same period assets of trust companies increased $13 millions. These figures are taken from the preliminary 1936 report of the Registrar of Loan Corporations for Ontario. Eastern Trust Co. was registered for the first time in Ontario in 1936 and inclusion of its assets accounted for $7.9 millions of the increase in trust company assets.

The assets of loan corporations have been decreasing each year since 1931 when they amounted to $27,572,000. The decrease was $6.4 millions in 1935 and $3 millions in 1935. Most of the 1936 decrease is accounted for by the drop of $7 millions in the liabilities of Credit Foncier Franco-Canadian. This company's report shows liabilities to the public down to $27,282,132 from $33,983,255 at the end of 1935. This loan company had large amounts of debentures outstanding which were payable in gold francs and the devaluation of the franc undoubtedly reduced the company's liability in this connection. Mortgages on real estate have been reduced approximately $6.5 millions with other reductions in assets including about $1 million in securities held.

Included in the total assets of trust companies, exclusive of estates, trusts and agencies, was $57.9 millions held for company funds, an increase of $2.8 millions, while guaranteed trust fund assets of $140.9 millions showed an increase of $10.2 millions. The Eastern Trust Co. contributed $6.6 millions of the $8.2 millions of increase in guaranteed investment receipts.

Trust deposits were up $2 millions and collateral loans up $7.2 millions. The two latter changes were probably due to higher rates of interest obtainable on call loans as compared with other forms of investments and higher interest rates on deposits paid by trust companies as compared with chartered banks.

Estates, trusts and agencies under administration increased $98 millions to a total of $2,341 millions.

Mortgages Down

Evidence of the continued unpopularity of mortgage loans as an investment for loan and trust company funds is seen in the decrease of $2.8 millions in the total for loan companies and an increase of $875,000 in this case of trust companies, which is more than accounted for by the inclusion of those held by Eastern Trust Co. Interest due and unpaid on mortgages held by loan companies amounted to $3.6 millions and on those of trust companies to $4.6 millions. The loan company figure is equal to 2.4% on total mortgages and represents a drop of $3.3 millions. The ratio for trust companies is 5.4% on total mortgages and a drop of $1.5 millions.

Accumulation of such charges as taxes and insurance, paid by the companies to protect their investments, together with the small amount of new loans made, has been more than offset by voluntary writing down of book values and foreclosures. Decrease in mortgage loans started in 1930 for western Canada and 1932 in the east but in the past two years the decrease in each section has been about the same.

Real Estate Holdings Up

Real estate holdings of loan companies increased $1.6 millions in 1936 to $10.1 millions and trust company holdings increased $1.6 millions to $8.8 millions. Direct investment in real estate is not permitted for loan or trust companies, except loaning land corporations, and the amount shown largely represents foreclosed properties and sale agreements. Loan corporations' holdings of real estate now represent 4.91% of total assets against 4.01% at the end of 1935, while trust companies' holdings are 14.36% of total company fund assets compared with 12.96.

Montreal Trust Co. and The Royal Trust Co. hold over 75% of the total collateral loans. This item reached its peak of $47.7 millions in 1928 and, after a decline to $22.3 millions in 1933, has again grown to $30.1 millions.

Little change is shown in the liquid position of loan and trust companies which accept deposits. This ratio compares as follows: 1936, 66.70%; 1935, 67.15%; 1934, 71.99%; 1933, 63.28%.

Earnings are Better

Net profits of loan corporations totalled $3.7 millions in 1936 equal to 10.5% on paid up capital. This compares with total net profits of $3.1 millions in 1935, equivalent to 9% on paid up capital. Loan corporations paid out $2.4 millions in dividends in 1936 against $2.5 millions in 1935. This amounted to 6.97% of the paid in capital in 1936 and 7.19% in 1935.

Net profits of trust companies totalled $2.7 millions in 1936 and $2.5 millions in 1935. Management fees from estates, trusts and agencies have been an important factor in maintaining trust companies' earnings. The 1936 net profits were equal to 10.7% on paid up capital as compared with 10% in 1935. Out of 1936 earnings the trust companies paid dividends of $1.7 millions, equal to 6.67% on paid in capital, against $1.6 millions in 1935, or 6.45% on paid in capital.

Reserve funds and contingency funds of loan corporations were equal to 54% of paid in capital at the end of 1936 as compared with 56% in 1935. Trust companies had total reserve and contingency funds of 60% of paid in capital at the end of 1936 against 62% for 1935.

Dominion Board Defers Action

The meeting of the Dominion Board of Insurance Underwriters at Ottawa last week, when the problem of agents' commission was considered, was without definite result, although those in attendance report that progress was made. A number of revisions were made to the commission rate proposals as originally submitted by the Dominion Board council, and the revised schedule will come up for approval at the annual meeting of the Dominion Board, which will probably be held next month.

FIDELITY
Insurance Company
of Canada
TORONTO

NOTICE

Notice is hereby given that Arex Indemnity Company has received from the Department of Insurance, Ottawa, Certificate of Registry No. C-313 authorizing it to transact in Canada the business of Insurance against liability for loss or damage from accident to employees or other persons or to property.

V. W. GERRISH.
Chief Agent for Canada.

Toronto, April 9th, 1937.

The Wawanesa Mutual Insurance Company
Canada's Largest Fire Mutual
A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.
Home Office, Wawanesa, Man. Eastern Office: 341 Church St., Toronto. Branches in Vancouver, Edmonton, Winnipeg, Montreal, Moncton.
FIRE WINDSTORM AUTO CASUALTY

Crop Insurance Watched in West

Cash Protection Plan in Kansas Arousing Interest

Kansas farmers have a new, copyrighted plan under which they may insure their wheat crops.

Twice before, experiments in this field have been attempted in that state only to meet disaster. Their history was considered last year by the Saskatchewan committee on crop insurance in an effort to find some practical means of insuring the western farmer. Although no definite plan has been adoptetd in the Canadian West, the question is a live one and the new development will be watched with interest.

The Kansas scheme, outlined in a recent issue of Business Week, is promoted by Sowers Plan Corp. Insurance Co., of Topeka, which recently received permission of the insurance authorities to sell what is probably the first crop insurance with both premiums and estimated losses based on actuarial data. It is a mutual company. Officers are comprised largely of bankers, insurance executives or large-scale farmers. Expansion is planned into other states, particularly the South, where the cotton crop may be insured if and when actuarial data is available. It is not known if the company will eventually extend operations into Canada.

Cash Proposition

The Sowers plan definitely insures cost of production regardless of yield or market price of the grain at harvest time. It is a straight cash proposition. The cover offered is an all-risk type of policy protecting against loss from any natural cause including drought, hail, flood, fire, insects, tornado and winterkill. Farmers will be protected to the full extent of their investment based on cost of production, which, in turn, comprises taxes, labor, rent, seed, and operating expenses for equipment used.

In order to buy this type of crop insurance, the grower is required to submit through the local agent a statement of his total production costs. If these are within the limits of good farming as set by the state department of agriculture, they are accepted and a policy is issued for that amount. Average cost of production in Kansas is said to run about $6 an acre.

Premium rates vary according to location of the farm, ranging from $5 to $16 per $100 of insurance cover. Average rate is $10. If the price at which the grower sells his crop does not amount to the face value of the policy, he collects the balance in cash. Only a limited amount of insurance will be sold in each district.

English Director

From Our Own Correspondent

MONTREAL.—Rt. Hon. William Dudley-Ward of London, England, has been elected to the board of directors of Associated Breweries of Canada to represent English shareholders. At the annual meeting of shareholders, Fritz Sick, of Vancouver, was re-elected chairman and E. G. Sick, of Seattle, president of the company.

Western Savings Assets Improve

Loan Association Extends Investment Powers—May Widen Field

Assets of Western Savings and Loan Association, Winnipeg, showed a further increase in the last six months of 1936, as revealed by a statement of condition as at Dec. 31, 1936. Total assets amounted to $1,139,682 as compared with $1,022,732 at June 30, 1936. Government bonds made up over half total assets, being $629,898 at Dec. 31, 1936.

First mortgage loans, after deducting reserves, totalled $414,040 at the end of 1936. Other assets included cash of $65,990, certificate loans of $29,653 and furniture and fixtures of $100.

Liabilities to the public, consisting of terminating savings certificates with maturity interest requirements, amounted to $887,587 as compared with $782,240 at June 30, 1936 an increase of $105,347. Surplus in favor of certificate holders was $252,095 against $240,492, an increase of $11,603.

Amending Regulations

The company has extended investment powers through a bill passed by the Manitoba Legislature at its last session. Up to the present the company's investments have been restricted to bonds issued or guaranteed by the Dominion or Provincial Governments and municipalities and mortgages. The amendment will permit the company to purchase securities of any loan company whose investments are restricted to those investments possible to the association.

Partly as a measure to cut the cost of handling securities, a further amendment permits the association, with the approval of the Government, to place its securities in the custody of a chartered bank. Previously the association was required to employ a trust company as custodian.

The association is also deleting from its incorporating act the clause permitting the issue of "terminating shares." This class of security has not been issued by the company.

It is understood that the change in the association's investment powers is being made as a result of the restricted possibilities for first mortgage loans in western Canada over the past few years. The association will now have power to extend its operations outside of the Prairie Provinces.

The association's investments do not include any Alberta bonds and, while it holds some mortgages in that province, careful selection and supervision have permitted a high ratio of collections. The association states that it does not hold any farm mortgages.

New Licenses

The following companies have been granted federal certificates of registry, authorizing them to transact the classes of business named in addition to those for which they are already registered. The "vehicle property damage" classification, which covers loss of or damage to property caused by vehicles, is in all cases limited to properties already insured for fire. This type of insurance, for which many companies have taken out licenses recently, is included the recently introduced supplemental contract to fire policies covering a wide range of risks.

Royal Exchange Assurance Co.—Hail, vehicle property damage.

Car & General Insurance Corp.—Falling aircraft, hail, civil commotion, vehicle property damage.

National Provincial—Vehicle property damage.

State Assurance Co.—Falling aircraft, hail, civil commotion, vehicle property damage.

Motor Union Insurance Co.—Falling aircraft, hail, civil commotion, vehicle property damage.

United British Insurance Co.—Falling aircraft, hail, civil commotion.

Wawanesa Mutual Insurance Co.—Civil commotion insurance limited to properties already insured for fire.

Zurich General Accident & Liability Insurance Co.—Inland transportation.

Royal Insurance Co.—Vehicle property damage.

Liverpool & London & Globe Insurance Co.—Vehicle property damage.

Central Insurance Co.—Vehicle property damage.

Palatine Insurance Co.—Personal property.

British General Insurance Co.—Personal property.

British & European Insurance Co.—Personal property.

Canadian General Insurance Co.—Falling aircraft, earthquake, civil commotion, and personal property limited to properties already insured for fire.

* * *

Clare Mutual Fire Insurance Co.—Incorporated under Nova Scotia laws, has been granted a certificate of registry by the federal insurance department authorizing it to transact in Nova Scotia the business of fire insurance. A. A. Theriault, of Belliveau's Cove, N.S., has been appointed chief Canadian agent.

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Each year this "mutual" company distributes its surplus or profits to the policyholders in the form of dividends. Why not earn dividends on YOUR fire insurance in 1937?
NORTHWESTERN MUTUAL FIRE ASSOCIATION
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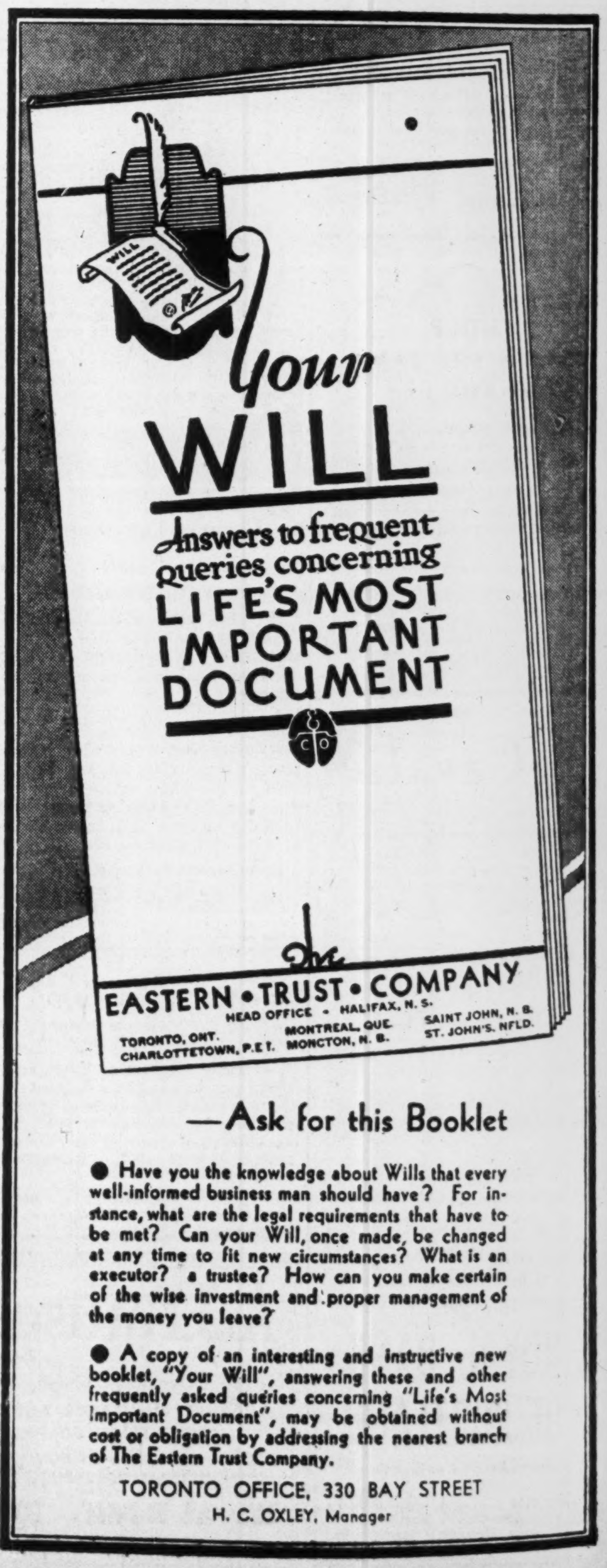
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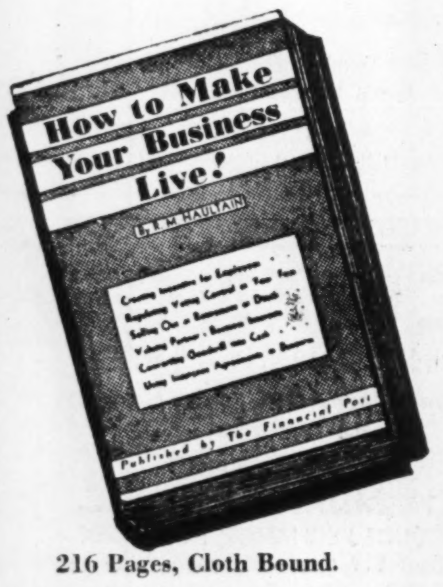
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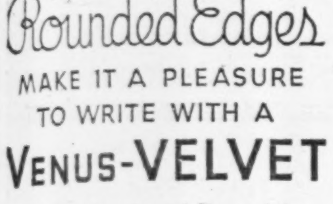

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May 29: Formal Opening of Cavalier Beach Club and Cabana Row.

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Bank Chat

Bankers and Business

Whatever one may think of Major L. L. B. Angas' forecasts — and there are many who feel that the widely publicized Englishman is a pretty shrewd fellow — he must at least be given credit for unusual courage. Speaking to a large conference of bankers in New York last week, the major placed on them the onus of business cycles.

"This disease (the business cycle)," he stated, "is due largely to the prudence of bankers. A commercial banker's first duty is to his depositors. Hence, whenever reaction in general trade, or commodity prices once begins, a banker is forced to call in loans in so far as collateral has shrunk in market value. But called in loans imply forced sales, and still lower prices. Other bankers, therefore, call in more loans. Violent bank credit deflation then ensues. Profits decline. Unemployment is augmented. Business goes from bad to worse."

• • •

Taking Inventory

Applied to the policy adopted by the Canadian banks at the beginning of the late, unlamented downswing of the cycle, the major's reasoning may contain a grain of truth. Most bankers will confess, if that is the proper word, some contraction of credit. But the inference that there was wholesale restriction is, according to the general manager of one of the banks, mere "piffle."

As far back as 1928, the Canadian banks were wary of increasing lines of credit, and used moral suasion to keep inventories at a sane figure. When the depression came along, the only course open to the banks was to continue this policy of calling on businessmen to reduce inventories. As a matter of fact, the banks were only acting in the best interest of their clients in doing so. Any businessman who did not take the first crack in 1929 as a warning to clear his decks was indeed short sighted.

The decline in prices was not precipitous. In most lines it was gradual and extended over a period of years. Hence, manufacturers who first reduced inventories received the benefit of higher prices.

Only in a few exceptional cases, did bankers step in and take over merchandise. Head office officials of some of the banks cannot recall a single instance. On the other hand, little is heard of the many concerns which they have nursed through the lean years. It stands to reason that it is in the banks' own interest to tide over any concern which has reasonable hopes of surviving a period of bad business.

• • •

Mexican Notes

British Columbia shopkeepers have been pestered recently by an influx of Mexican money. The bills closely resemble genuine Canadian currency, and unless they are examined minutely, are quite apt to pass muster. Unfortunately for those on whom these have been foisted, they are absolutely worthless.

Passers of the bogus notes usually change a large bill by making a small purchase. On obtaining change, the customer indulges in a bit of sleight of hand and quickly returns one of the worthless notes.

Monthly Bank Clearings

	April 1936	April 1937
	$	$
Halifax	9,195,190	10,876,508
Saint John	7,467,160	8,351,061
Moncton	2,834,409	3,94,386
Sherbrooke	2,624,512	2,980,186
Quebec	18,131,359	21,959,766
Montreal	401,064,108	518,546,890
Ottawa	84,074,775	92,512,009
Kingston	2,189,441	2,340,795
Peterborough	2,620,851	2,758,548
Toronto	473,386,496	619,453,147
Hamilton	19,410,699	25,881,154
Kitchener	4,269,766	4,770,478
Brantford	3,414,237	4,309,989
London	10,881,905	13,017,077
Chatham	1,963,149	2,589,830
Windsor	12,278,963	13,341,853
Sarnia	1,892,831	1,979,911
Sudbury	3,438,851	4,003,587
Fort William	2,410,222	3,213,830
Winnipeg	216,881,916	191,369,339
Brandon	1,166,667	1,272,832
Regina	13,687,406	17,572,367
Moose Jaw	2,177,011	2,927,875
Saskatoon	5,546,105	6,270,304
Prince Albert	1,298,485	1,379,142
Edmonton	17,594,707	13,396,119
Medicine Hat	1,112,309	1,024,662
N. Westminster	2,651,922	7,100,416
Vancouver	76,588,719	85,330,340
Victoria	7,100,416	7,783,011
Calgary	23,591,524	25,496,318

Bank Deposits Rise To Record High Level

March Total Exceeds 1929 Peak By $40 Millions — Statement Shows Effect of Government Financing

Public deposits with Canadian chartered banks are at a new high.

Registering an advance of $75 millions during March, balances in savings and current accounts in the Dominion reached the staggering total of $2,295 millions, a figure almost $40 millions more than the pre-depression pyramid which began to topple after October, 1929.

The March total is another notch on an upward trend which got under way early in 1934. Since that time definite, if irregular, advance has been apparent in both time and demand deposits. The pronounced increase in March was chiefly in demand accounts, these rising $55 millions. It is regarded as partly seasonal, with refinancing operations also making some contribution.

Credit Index Lower

Reflecting the upswing in deposits, The Financial Post credit index, which is based on the ratio of call and current loans in Canada, to Canadian public deposits, eased slightly during the month to 35.7, despite a higher loan total. Influenced largely by March activity on security markets, call loans advanced a further $5.3 millions to $124 millions, while current loans, mainly those for commercial purposes, increased by about half that amount to $694.2 millions. Loans to municipalities rose more than $6 millions during the month, possibly in anticipation of tax collections.

Investments continue to pile up, the total mounting an additional $5 millions to $1,427 millions. Government long- and short-term issues gained $5.9 millions and $5.7 millions respectively, with municipal holdings up about the amount of additional advances. Foreign securities dropped $17 millions, affected by Government refinancing.

Important factors affecting the Canadian credit situation compare as follows:

Use of Bank Credit in Canada
(In Millions of Dollars)

	March 31 1937	Feb. 28 1936	Change	March 31 1936	Change
Loans	938.3	923.8	+14.5	940.9	—2.6
Investments	1,427.2	1,422.1	+5.1	1,315.5	+111.7
Total	2,365.5	2,345.9	+19.6	2,256.4	+109.1
Deposits	2,294.6	2,219.3	+75.3	2,101.1	+193.5

Financing Operations

Largest single change in March was a decline of $88.4 millions in deposits of the Dominion Government. All but $5 millions of this is accounted for by a reduction in the Government's balance with the Bank of Montreal. The explanation appears to lie in the redemption during March of a $89.7 millions bond issue payable in New York. The Government has been building up a fund with the Bank of Montreal to meet this obligation. Apparently, the bank then purchased foreign securities and added to its account in New York. March figures show that deposits of the Bank of Montreal abroad dropped $60 millions, and foreign security holdings fell about $16 millions, during the month.

The chartered banks increased their holdings of Bank of Canada notes during the month, cash position showing a gain of $3.2 millions.

Comparative figures of balance sheet items, as shown in the composite statement of the banks to the Minister of Finance, are as follows:

ASSETS

	March, 1937	February, 1937	Change	March, 1936	Change
	$	$	$	$	$
Immediately Available Liquid Assets					
Canadian coin	5,579,497	5,394,483	+185,014	5,991,759	—412,262
Bk. of Can. notes	42,174,427	38,352,680	+3,821,747	32,550,266	+9,624,161
Bank of Can. depos.	194,275,502	195,044,747	—769,245	188,202,912	+6,072,590
Bank's cash	242,029,426	238,791,910	+3,237,516	226,744,937	+15,284,489
Other bank notes	7,435,410	5,885,703	+1,549,707	7,008,273	+427,137
Gold & sub. coin ab'd.	4,410,664	4,443,220	—32,556	10,231,839	—5,821,175
Foreign banks	129,409,954	187,899,157	—58,489,203	124,438,406	+4,971,548
Foreign curr.	21,195,477	22,425,298	—1,229,821	22,413,880	—1,218,403
Gov. sec. short term	481,933,979	476,269,607	+5,664,372	485,253,136	—3,319,157
Do., long term	652,990,493	647,112,145	+5,878,348	585,339,230	+67,651,263
Call loans abroad	76,188,582	67,808,315	+8,380,267	69,472,594	+6,715,988
	1,615,593,985	1,650,635,355	—35,041,370	1,530,902,295	+84,691,690
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	119,814,375	113,334,076	+6,480,299	106,748,565	+13,065,810
Public secs.♦	48,482,196	65,757,651	—17,275,455	53,122,096	—4,639,900
Other secs.	123,957,816	119,640,614	+4,317,202	84,996,702	+38,961,114
Can. call loans	124,113,291	118,821,683	+5,291,608	76,920,514	+47,192,777
Current loans	694,215,664	691,687,139	+2,528,525	732,657,582	—38,441,918
Loans abroad	172,317,216	167,565,468	+4,751,748	140,357,521	+31,959,695
Prov. loans	18,532,491	18,070,303	+462,188	24,943,195	—6,410,704
Mun. loans	101,468,437	95,232,131	+6,236,306	106,345,727	—4,877,290
	1,402,901,486	1,390,109,065	+12,792,421	1,326,091,902	+76,809,584
Other Assets					
Non-curr. loans	11,911,336	11,947,067	—35,731	13,709,619	—1,798,283
Real estate	8,782,417	8,817,753	—35,336	8,698,763	+83,654
Mortgages	4,175,969	4,135,445	+40,524	5,318,089	—1,142,120
Premises	74,785,260	75,024,848	—239,588	75,806,717	—1,021,457
Letters of credit	74,260,253	75,511,002	—1,250,749	61,318,860	+12,941,393
Loans to comp.	11,228,608	9,727,642	+1,500,966	10,598,111	+630,497
Other assets	1,814,676	1,809,147	+5,529	2,019,826	—205,150
	186,958,519	186,972,904	—14,385	177,469,985	+9,488,534
Total	3,205,453,990	3,227,717,324	—22,263,334	3,034,464,182	+170,989,808
Note circ. dep.	7,053,705	7,046,512	+7,193	6,886,788	+166,917
Int. bank bal.	124,319,974	94,279,895	+30,040,079	101,695,378	+22,624,596
Gross	3,336,827,669	3,329,043,731	—7,783,938	3,143,046,348	+193,781,321
LIABILITIES					
To the Public					
Circulation	112,600,768	114,238,885	—1,638,117	123,665,982	—11,065,214
Dom. Govt.	26,518,525	114,945,308	—88,426,783	55,501,237	—28,982,712
Prov. Govt.	48,412,004	34,720,572	+13,691,432	40,141,423	+8,270,581
Deposits by Public					
Demand dep.	710,848,542	655,514,404	+55,334,138	568,918,406	+141,930,136
Savings dep.	1,583,780,912	1,563,829,859	+19,951,053	1,532,157,747	+51,623,165
Total	2,294,629,454	2,219,344,263	+75,285,191	2,101,076,153	+193,553,301
Foreign dep.	423,488,691	420,797,381	+2,691,310	414,367,961	+9,120,730
Due to Banks Abroad, Etc.					
United Kingdom	11,406,049	10,976,021	+430,028	9,064,476	+2,341,573
Foreign	33,267,096	30,616,240	+2,650,856	30,484,536	+2,782,560
Bills payable	719,613	694,414	+25,199	1,107,850	—388,237
Letters of credit	74,260,253	75,511,002	—1,250,749	61,318,860	+12,941,393
Other liabs.	2,967,696	3,080,918	—113,222	2,759,331	+208,365
Total public liab.	3,028,270,149	3,024,925,004	+3,345,145	2,839,487,809	+188,782,340
Due bet. banks	15,639,236	11,979,732	+3,659,504	13,075,452	+2,563,784
Liability to Shareholders					
Dividends	814,145	2,949,327	—2,135,182	804,442	+9,703
Reserve	133,750,000	133,750,000	....	132,750,000	+1,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	3,323,973,530	3,319,104,063	+4,869,467	3,131,617,703	+192,355,827
Credit index*	35.7%	36.5%	—0.8%	38.5%	—2.8%

♦Other than Canadian.
*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Four New Offices Are Opened By Banks

Canadian chartered banks announced the closing of three branches in the west and opening of four sub-branches in the east during March. Total branches at the end of the month numbered 3 508, of which 3,362 were in Canada, 25 in Newfoundland and 121 elsewhere.

During the month, the Royal closed its branches at Fleming and Stockholm, both in Saskatchewan, and the Bank of Toronto announced that its Sunnynook, Alta., office would be closed in April. The branches opened were by the Montreal at Pelee Island, Ont., and Gold Park, Ont., by the Nationale at Dupuy, Que., and by the Nova Scotia at Bishop's Mills, Ont.

Bank Debits Advance 23%

March Total Higher in All Areas Except Prairies

Reflecting general business improvement, bank debits in March registered a gain of almost 23% over the same month a year ago. Only two of the 32 reporting clearing houses, Winnipeg and Edmonton, failed to show improvement. Total for the month was $3,189.8 millions as against $2,598.8 millions in 1936.

Greatest percentage gain was in the Maritimes, where the increase amounted to more than 68%. Halifax was the big factor, with debits double the 1936 level. Quebec chalked up an advance of 39%, Ontario 23% and British Columbia 13%. Dullness in the grain trade is largely accountable for a drop of 10% in the Prairies.

After adjustment for seasonal trend, the dollar volume of business was up almost 13% over the previous month.

Debits to Individual Accounts

	March 1937	March 1936
	$	$
Maritime Provinces		
Halifax	49,682,678	25,199,379
Moncton	8,464,042	7,131,472
Saint John	19,987,562	14,077,707
Total: Maritime Provinces	78,134,282	46,408,558
Quebec		
Montreal	1,062,548,032	769,932,433
Quebec	74,441,541	47,778,351
Sherbrooke	6,422,235	4,957,831
Total: Quebec	1,143,411,808	822,668,615
Ontario		
Brantford	9,542,971	7,113,847
Chatham	9,118,685	6,953,865
Fort William	4,394,615	3,589,591
Hamilton	49,757,906	43,820,343
Kingston	6,435,142	4,551,290
Kitchener	11,333,912	9,264,721
London	33,198,984	28,022,417
Ottawa	96,140,660	88,263,530
Peterborough	5,287,083	4,634,925
Sarnia	6,650,072	5,408,081
Sudbury	6,271,540	4,972,347
Toronto	1,130,121,784	909,531,297
Windsor	43,067,402	36,006,758
Total: Ontario	1,411,320,756	1,152,033,012
Prairie Provinces		
Brandon	2,152,470	1,862,729
Calgary	55,155,539	47,254,011
Edmonton	30,331,716	31,343,653
Lethbridge	3,363,841	3,222,667
Medicine Hat	2,015,215	2,014,112
Moose Jaw	5,119,329	3,895,139
Prince Albert	2,399,880	2,045,327
Regina	34,593,946	33,502,472
Saskatoon	9,223,649	7,937,209
Winnipeg	226,103,987	279,670,623
Total: Prairie provinces	370,459,572	412,747,942
British Columbia		
N. Westminster	6,272,457	5,120,256
Vancouver	153,215,496	135,653,599
Victoria	27,022,149	24,178,735
Total: British Columbia	186,510,102	164,952,590
Total for Can.	3,189,836,520	2,598,810,717

Wage Increase

MONTREAL. — Canadian Cottons Ltd., has put into effect a general increase of 6% to all employees.

This advance affects all employees in the Stormont Canada and Dundas plants at Cornwall; the St. Croix plant at Milltown, N.B.; the Gibson plant at Murraysville, N.B., and the Ontario plant at Hamilton.

Bank of Canada Weekly Statement

Changes in the Bank of Canada statement in the week ended April 28 were, for the most part, relatively small and of minor significance.

Balance Sheet

	Apr. 28 1937	Apr. 21 1937
	$	$
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	129,480,292	129,992,622
Rest fund	743,716	743,716
Dep.: Dominion	25,539,373	24,748,616
Banks	197,700,642	197,529,620
Other	912,353	1,120,228
Total deposits	224,152,368	223,398,464
All other liabs.	1,502,402	1,816,440
Total liabs.	365,978,778	366,051,242
Assets		
Reserve: Gold	191,117,190	191,207,024
Silver bullion	2,407,097	2,374,666
Res. in sterling and U. S.	16,145,655	16,790,304
Total reserve	209,669,942	210,371,994
Subsidiary coin	221,683	244,887
Investments:		
Dom. govt. short.	50,241,507	50,249,372
Other Dom. govt.	101,685,867	101,423,794
Total invest.	151,927,374	151,673,166
Premises	454,176	445,243
All other assets	3,705,603	3,315,952
Total assets	365,978,778	366,051,242
Reserve ratio	59.29%	59.52%

Weekly Bank Clearings

	Apr. 29 1937	Change Year Ago	Apr. 22 1937
	$	%	$
Halifax	2,339,334	+15.7	2,606,205
Saint John	1,819,285	+ 5.4	1,981,961
Moncton	751,964	+13.5	734,546
Sherbrooke	619,564	+18.4	723,551
Quebec	5,414,264	+38.7	4,719,714
Montreal	108,069,213	+10.6	117,287,727
Ottawa	18,804,393	—11.7	22,213,822
Kingston	487,762	+11.2	558,464
Peterborough	567,042	— 6.6	660,639
Toronto	130,553,869	+26.9	142,944,854
Hamilton	5,768,042	+39.8	6,261,284
Kitchener	1,065,402	+25.6	1,128,331
Brantford	908,797	+35.7	1,113,755
Windsor	2,813,809	—12.4	3,230,477
London	2,436,206	+ 9.1	3,247,645
Chatham	504,693	+22.6	641,414
Sarnia	361,679	— 1.6	518,746
Sudbury	966,408	+ 7.7	824,184
Fort William	658,431	+15.4	771,807
Winnipeg	37,056,533	—34.3	61,441,763
Brandon	279,782	+14.3	302,744
Regina	4,800,375	+53.5	3,760,610
Moose Jaw	561,989	+19.1	718,483
Saskatoon	1,417,189	+12.8	1,470,884
Prince Albert	285,300	+ 0.6	348,507
Edmonton	3,997,025	+22.8	4,215,672
Calgary	5,323,622	+ 0.8	5,972,757
Medicine Hat	199,015	— 2.8	234,043
N. W'minster	691,131	+11.2	651,661
Vancouver	18,182,752	+ 2.5	19,298,850
Victoria	1,610,662	+ 5.4	1,879,554
Lethbridge	421,894	—6.4	506,414

Staff Changes

The Bank of Toronto has made the following appointments:

W. KERR, formerly western inspector, Winnipeg, to be manager at Edmonton.

L. GEMMILL, formerly manager at Stettler, Alta., to be manager at Colonsay, Sask.

The Bank of Montreal has made the following appointments:

R. J. COCK, formerly at Winnipeg, to be manager at Goldfields, Sask.

A. J. N. FOSS, formerly of superintendent's department, Winnipeg, to be assistant manager at Calgary, Alta.

A. MACPHERSON, formerly assistant manager at Calgary, Alta., to be associate manager at Chicago, Ill.

J. R. GERVAIS, formerly at Richmond, Que., to be accountant in charge at Senneterre, Que.

C. W. COOK, formerly accountant at Sherbrooke, to be manager at Canso, N.S.

R. G. ELDRIDGE, formerly manager at Mahone Bay, to be manager at Corner Brook, Nfld.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

Par	Apr. 26	Apr. 27	Apr. 28	Apr. 29	Apr. 30	May 1
U. S. Dollar, High	.99[illegible]	.99[illegible]	.99[illegible]	.99[illegible]	.99[illegible]	.99[illegible]
Low	.99[illegible]	.99[illegible]	.99[illegible]	.99[illegible]	.99[illegible]	.99[illegible]
U. K. pound	4.92⅞	4.93⅛	4.93⅜	4.93⅞	4.93⅞	4.93¼
Australia	3.94½	3.94⅝	3.94⅞	3.95¼	3.95¼	3.94¾
Austria	.1871½	.1871½	.1871½	.1871½	.1871½	.1872
Belgium	.1686⅞	.1688⅜	.1686½	.1686⅜	.1686	.1686⅜
Brazil	.0635	.0635	.0631	.0631	.0635	.0635
Czechoslovakia	.0348¼	.0348¼	.0348⅜	.0348½	.0348⅜	.0348½
Denmark	.220[illegible]⅞	.2202⅞	.2203⅞	.2206⅞	.2206⅞	.2202½
France	.0443	.0444	.0446	.0447¼	.0447	.0447
Germany	.4013½	.4014½	.4014½	.4014½	.....	.4014¾
Greece	.0090	.0090	.0090	.0090	.0090	.0090
Holland	.5465¾	.5472¾	.5471¾	.5473¾	.5475¾	.5476½
Hungary	.1972¼	.1972¼	.1972¼	.1972¼	.1972¼	.1973
India	.3722	.3735	.3728	.3732	.3733	.3729⅛
Italy	.0525¼	.0525¼	.0525¼	.0525¼	.0525¼	.0525½
Japan	.2870⅝	.2874⅜	.2876½	.2876½	.2880½	.2877½
Jugoslavia	.0233⅜	.0233½	.0233½	.0230½	.0233½	.0234⅝
New Zealand	3.97½	3.97⅝	3.97⅞	3.98¼	3.98¼	3.97¾
Norway	.2478⅜	.2479⅜	.2480⅜	.2483⅜	.2482⅜	.2479⅛
Poland	.1893	.1894	.1894	.1894	.1894	.....
South Africa	4.91⅞	4.92⅛	4.92⅜	4.92⅞	4.92⅞	4.92¼
Sweden	.2541¼	.2543¼	.2544¼	.2547¼	.2547¾	.2543
Switzerland	.2284¼	.2287¼	.2288¾	.2288¾	.2287¾	.2287
Hong Kong	.3058¼	.3065¼	.3065¼	.3066¼	.3067¼	.3067¼

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AUSTRALIA and NEW ZEALAND.
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
(With which the Western Australian Bank & The Australian Bank of Commerce Ltd. are amalgamated)
Paid-up Capital £8,780,000
Reserve Fund 6,150,000
Reserve Liability of Proprietors 8,780,000
£23,710,000
Aggregate Assets 30th Sept., 1936 .... £115,150,000
A. C. DAVIDSON, General Manager.
780 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.
HEAD OFFICE: GEORGE STREET, SYDNEY.
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Make Repairs and Extensions to Your Home
under the Home Improvement Plan

HOME Owners who wish to take advantage of the Dominion Home Improvement Plan may obtain full detailed particulars from any branch of this Bank.

Briefly, the Act authorizes the Bank to make loans up to $2,000. on any single dwelling to owners in good credit standing. No security is required.

Farm owners may secure loans for the repair or improvement of any buildings on the farm : : : for the construction of a second dwelling for hired help : : : to replace fences . . .

City owners may borrow to convert a property into a duplex dwelling . . . for extensions . . . for modernization . : : to build a garage : : : and for repairs of any description.

Loans are to be repaid on the instalment basis and may be arranged over periods of from six months to three years; provided also that requirements in excess of $1,000. may be arranged over a term of five years.

The rate of 3¼% discount per annum on monthly instalment loans is equal to 6.32% simple interest, which is the basis of all charges.

Apply to the branch in your district.

IMPERIAL BANK OF CANADA
161
Head Office—Toronto
Branches Throughout Canada

Position of Chartered Banks of Canada as of March 31st, 1937, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal	24,868,743	20,115,983	15,168,304	....	195,034,833	427,203,055	63,072,918	3,230,522	2,639,456	5,761,451
Nova Scotia	10,475,924	362,190	1,487,123	....	45,108,606	151,230,490	43,499,335	1,909,496	220,693	1,964,844
Toronto	4,205,570	276,943	752,402	....	34,189,931	77,402,702	789,571	811,212	350,649	1,504,487
Provinciale	3,315,652	1,452	439,104	....	5,988,363	38,576,252	189,812	850	691	80,995
Commerce	22,936,196	2,051,283	13,909,657	....	146,864,953	310,230,141	60,959,855	2,304,557	1,647,680	9,507,692
Royal	30,640,887	1,862,614	10,864,980	....	184,538,219	315,068,786	245,845,229	298,876	1,965,502	10,513,550
Dominion	5,572,109	299,637	967,848	....	34,163,261	73,902,581	4,622,239	3,887,393	344,936	512,213
Nationale	4,692,264	496,597	439,081	....	26,596,717	96,885,153	1,026,129	867,772	17,381	601,162
Imperial	5,585,318	1,005,937	4,383,433	....	36,745,320	89,090,548	291,898	2,008,717	996,003	1,467,780
Barclays (Canada)	308,105	45,886	72	....	1,618,324	4,191,204	3,191,705	319,841	3,223,053	1,352,922
Total	112,600,768	26,518,525	48,412,004	....	710,848,542	1,583,780,912	423,488,691	15,639,236	11,406,049	33,267,096

NAME OF BANK	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$
Montreal	21,521	9,525,030	1,936,300	20,879	39,000,000	36,000,000	843,599,002
Nova Scotia	36,930	6,666,609	279,372	362,706	24,000,000	12,000,000	299,604,324
Toronto	391,200	2,655,258	....	4,253	9,000,000	6,000,000	138,334,183
Provinciale	....	67,479	8,771	6,339	1,000,000	4,000,000	53,675,766
Commerce	56,851	22,515,845	....	22,655	20,000,000	30,000,000	643,007,388
Royal	213,111	25,287,263	60,563	39,380	20,000,000	35,000,000	882,198,966
Dominion	....	4,117,862	462,591	175,495	7,000,000	7,000,000	143,028,171
Nationale	....	438,382	220,045	5,930	5,000,000	7,000,000	144,315,626
Imperial	....	1,389,610	....	176,409	8,000,000	7,000,000	158,141,067
Barclays (Canada)	....	1,566,915	....	....	750,000	1,500,000	18,063,037
Total	719,613	74,260,253	2,967,642	814,145	133,750,000	145,500,000	3,323,973,530

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are partners	Average Notes and deposits with Bank of Can.	Greatest amount of Notes in Cir.
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	716,794	82,878,106	25,470,833
Nova Scotia	15,000,000	12,000,000	12	2,607,056	21,682,000	10,566,931
Toronto	10,000,000	6,000,000	10	603,429	11,591,989	4,516,270
Provinciale	5,000,000	4,000,000	6	187,366	3,756,996	3,548,697
Commerce	50,000,000	30,000,000	8	3,210,683	42,217,395	23,509,810
Royal	50,000,000	35,000,000	8	1,203,513	45,823,408	30,646,306
Dominion	10,000,000	7,000,000	10	1,178,340	8,298,053	6,185,619
Nationale	10,000,000	7,000,000	8	143,965	10,683,698	4,709,939
Imperial	10,000,000	7,000,000	10	575,719	9,928,689	5,952,723
Barclays (Canada)	1,500,000	1,500,000	..	500	698,320	319,210
Total	211,500,000	145,500,000	..	10,427,365	237,558,655	115,426,338

▲ Of this amount $50,634,415 represents deposits in Canada in currencies other than Canadian, carried under demand and savings deposits in Canada prior to Aug., 1935.

* And loans for which they are guarantors.

ASSETS

NAME OF NAME	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canada	Cheques on other banks	Balances due from other banks in Canada	Due by banks in U.K.
	$	$	$	$	$	$	$	$	$
Montreal*	1,137,386	148,656	12,361,458	74,834,108	1,860,055	449,532	27,552,081	3,554	3832,785
Nova Scotia	350,229	1,547,135	3,187,395	16,263,751	523,492	3,291,333	10,344,867	....	369,913
Toronto	236,140	....	1,785,694	8,694,315	356,525	55,137	6,420,556	....	1,300,762
Provinciale	199,811	....	921,603	2,066,113	304,560	44,320	1,716,541	554,036	....
Commerce†	910,334	168,698	6,601,047	32,118,196	1,261,670	1,076,511	23,968,561	285	2,464,207
Royal‡	1,559,119	2,544,577	7,716,674	40,977,585	1,510,528	16,039,247	29,368,301	3,316	13,712,635
Dominion	275,163	504	2,353,277	5,936,243	532,605	93,269	7,571,000	....	172,931
Nationale§	840,003	1,094	3,208,575	7,002,139	546,465	59,633	4,385,911	1,280,762	30,058
Imperial	378,975	....	3,941,337	6,015,830	527,405	78,322	8,132,817	676,822	316,583
Barclays (Can.)	2,337	....	109,367	367,222	12,105	8,173	535,524	1,805,040	3,103,304
Total	5,579,497	4,410,664	42,174,427	194,275,502	7,435,410	21,195,477	119,996,159	4,323,815	25,303,178

NAME OF NAME	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.	Other bonds and stocks	Call loans in Canada	Call loans elsewhere	Current loans Canada	Current loans elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal*	21,170,233	168,241,732	190,599,299	39,337,849	9,702,064	35,167,069	9,934,668	30,979,455	133,374,338	19,099,548
Nova Scotia	7,853,272	37,316,328	60,273,869	13,412,224	750,497	13,970,284	12,181,322	3,267,390	74,536,347	16,487,987
Toronto	1,888,338	9,115,643	42,702,790	7,933,816	1,043,510	3,586,628	6,623,167	....	36,493,201	....
Provinciale	84,650	6,854,983	9,484,113	9,343,544	....	2,818,792	4,203,133	....	10,783,310	....
Commerce†	17,544,813	85,747,453	128,363,204	10,207,252	22,132,496	19,767,995	28,311,151	18,894,888	141,723,811	24,721,927
Royal‡	49,736,401	137,698,007	121,540,151	12,351,300	14,620,863	35,501,696	31,314,781	17,004,434	171,647,995	111,572,036
Dominion	810,416	10,941,124	35,582,135	5,514,645	....	3,495,765	12,683,015	5,927,915	38,598,465	402,415
Nationale§	1,454,029	10,710,689	21,206,880	17,160,432	232,766	9,552,700	10,129,873	114,500	36,929,723	33,303
Imperial	1,770,182	13,842,575	38,749,306	4,534,153	....	96,887	7,866,205	....	49,574,579	....
Barclays (Can.)	1,794,442	1,465,445	4,488,746	19,160	....	....	865,975	....	1,453,894	....
Total	104,106,776	481,933,979	652,990,493	119,814,375	48,482,196	123,957,816	124,113,291	76,188,582	694,215,664	172,317,216

NAME OF NAME	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgage on real estate	Bank Premise	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$
Montreal*	2,069,541	32,443,988	2,645,588	681,663	555,107	14,000,000	1,737,019	1,980,775	845,414,594
Nova Scotia	712,168	6,671,738	730,411	....	98,468	6,616,650	588,260	2,713,323	300,725,285
Toronto	....	4,639,587	138,477	....	45,988	3,509,321	349,424	....	139,574,289
Provinciale	54,104	951,305	90,127	673,534	349,706	2,102,896	183,675	74,212	53,926,557
Commerce†	7,079,166	22,426,006	3,714,812	2,719,766	1,585,734	14,876,054	1,325,000	3,936,800	646,164,697
Royal‡	2,841,345	12,331,914	3,604,349	2,726,433	760,521	15,600,615	1,625,000	3,849,273	885,046,375
Dominion	....	1,908,283	341,604	109,098	38,202	5,744,531	347,650	207,033	143,702,166
Nationale§	17,854	12,229,449	313,525	1,581,161	381,987	5,889,165	391,921	140,221	145,093,214
Imperial	5,758,313	7,866,167	321,583	290,762	359,256	5,996,027	488,164	133,545	159,105,418
Barclays (Can.)	....	....	10,860	....	....	450,000	17,583	7,975	18,075,074
Total	18,532,491	101,468,437	11,911,336	8,782,417	4,175,969	74,785,260	7,053,705	13,043,158	3,336,827,669

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* The business of the Bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

† The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡ The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement. — Footnote to the Royal Bank return.

§ The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return. — Footnote to Banque Canadienne Nationale return.

▲ Total assets include $74,260,253 letters of credit outstanding as shown in liabilities.

Week in Mining

Yields on Gold Stocks Create Price Contrast

Comparison of Mining Market Standards of 1937 and 1933 Indicate Important Change

During the past few weeks of quiet trading on mining markets, a number of readers have had time to do some calculating, and have, apparently, come to the conclusion that at present low prices, mining shares are being evaluated in terms of the old price of gold, instead of the actual price.

It is argued that the recent drop has made the public, temporarily at least, unduly cautious, with the result that since the future price of gold is a question of debate, they are taking no chances, and are valuing stocks on the basis of the 1933 gold price.

This is an interesting suggestion, and worthy of some analysis, even though the conclusions arrived at do not entirely substantiate this point of view.

The only way of getting a comparison between the market standards of today and those in use prior to $35 gold, is to study the market quotations of some leading gold producers then and now.

The purpose of such an analysis is fairly obvious. If it can be shown that the public is valuing gold stocks today on the pre-$35 levels, there is a tangible speculative element in today's market, the speculation, of course, centring around the possibility that the public is wrong, and that gold prices will not return to pre-1935 levels.

Price Contrasts

In May, 1933, just four years ago, gold prices were still under $28 an ounce. The average price received by the mines in that year was about $28.60. United States, it will be recalled, went off gold on April 19, 1933.

Following is the closing price on May 1, 1933, of a few leading gold producers, together with their price on May 3, 1937:

Company:	Closing Price May 3 1936 $	Closing Price May 1 1933 $
Dome	41.12	19.05
Hollinger	12.00	8.90
Macassa	5.70	.35½
McIntyre	34.65	28.00
Lake Shore	50.12	36.15
Sylvanite	3.20	.88
Wright-Hargreaves	6.80	4.70

It will be seen immediately that mining prices in general would have a long way to go before they could arrive at the pre-$35 level.

On the other hand, it should be remembered that every one of the producers listed above has improved its position materially during the last four years. By treating a grade of ore which would have have been unprofitable at former prices, all these mines have lengthened their lives considerably, no matter what happens to gold at the present time. This is a factor which no possible change in gold prices will remove, and one that must be taken into consideration in comparing prices.

Individual Changes

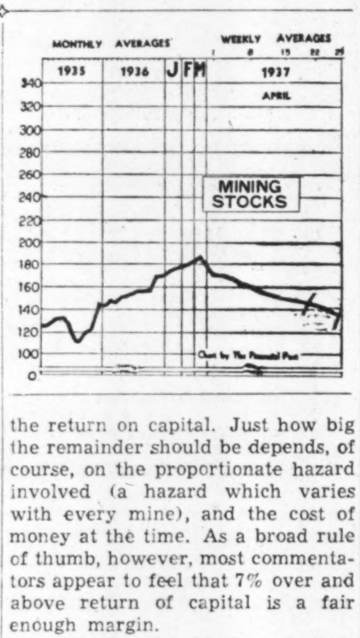
The last-mentioned factor is one which affects all gold producers. In addition, the picture at the individual mines has changed, as for example, with Macassa which was not producing until October, 1933, and which has, in the past few years, materially improved the outlook by depth development, an improvement which would have taken place proportionately regardless of the increase in gold prices. Sylvanite has also bettered its ore picture, as have Dome and Hollinger.

With these factors in mind, the fact that prices of these stocks today are materially higher than they were in 1933, does not necessarily indicate that the 1937 market standards are based entirely on the improved earnings possibilities of the mines.

Actual earnings are, of course, generally higher than in 1933, although increased taxation, and higher labor costs have tended to restrain the advance.

Yield Comparisons

The best answer to the problem probably lies in yield. It is usually considered that a purchaser of dividend-paying mining stocks should consider at least 3% of his dividend return of capital, and the remainder the return on capital. Just how big the remainder should be depends, of course, on the proportionate hazard involved (a hazard which varies with every mine), and the cost of money at the time. As a broad rule of thumb, however, most commentators appear to feel that 7% over and above return of capital is a fair enough margin.



It this be the ideal, and it is doubtful if it applies to Canadian mining, it is interesting to note that at present prices and dividend rates, Canadian mines are much closer to it than they were in 1933, as the following tables, showing yields on the two dates shown above, indicate:

	Yield in % May 3 1936	Yield in % May 1 1933
Dome	9.7	6.8
Hollinger	9.1	8.4
Macassa	2.4	nil
McIntyre	5.8	5.8
Lake Shore	10	8.2
Sylvanite	7.8	5.6
Wright-Hargreaves	8.8	4.0

It is admittedly difficult to draw airtight conclusions on such evanescent subjects as market valuations. It does, however, seem clear that if the yields on mining stocks were attractive in 1933, they are much more attractive now, unless one takes a very gloomy outlook as to the future price of gold.

Mining Stock Prices

Mining stock prices moved downward almost without interruption during the week ended April 29. Earlier recovery was completely wiped out as market averages again established new lows for the year. Base metals were affected by further declines in non-ferrous commodity markets, and gold issues reacted sharply to a revival of the rumor that gold prices might be lowered. Since the current decline commenced last February, the Dominion Bureau of Statistics' mining stock price index has dropped from 182.6 to 137.3 (April 29). Averages for the weeks ended April 22 and 29 declined from 148.3 to 143.4, with the gold section down from 115.3 to 112.8, and base metals from 284.0 to 267.1.

Picture Bleak For Bousquet

Third Level Fails to Disclose Commercial Ore

From Our Own Correspondent

SUDBURY.—Intimation by Lionel Brooke, E.M., president, that operations at Bousquet Gold Mines, in the West River section can only be assured for another 30 or 60 days, would seem to spell the end of the venture, which has been producing to a small degree for the last year. Inability to disclose commercial ore at the third, or 450-foot level, and below that horizon is the reason for this view. Known ore reserves on the first and second level are rapidly being depleted.

Those in control of Bousquet were greatly encouraged by the fair tonnage of commercial ore proved from surface down to 300 feet, and by the efficient handling of the plant since the mill was started about 12 months ago.

Development of the property up to 1935 had indicated tonnage valued at approximately $300,000 on the first and second levels, sufficient, it was estimated, to justify installation of a 50-ton mill. Before steps were taken for the plant, however, the company made a deal with Anglo-Huronian early in 1935 and this company deepened the shaft to 450 feet, a drift being run to intersect the downward extension of the ore shoot. Unfortunately the work proved disappointing, and Anglo-Huronian dropped out.

Following this withdrawal in June, 1935, funds were raised and spent on the exploration of the 450-foot level.

A 50-ton mill was purchased, necessary power equipment provided and production was started in May, 1936.

Value of production, it is understood, has been running around $12,000 to $13,000 per month, with the mill treating about 44 tons daily, giving the company a small operating profit.

The loan of $50,000 advanced by G. B. Webster was secured by a lien on production, and it is estimated that the obligation can be met by the time operations are suspended.

Mining Companies Newly Formed

Baghdad Gold Mines—Ont. incorp. April 9, 1937. H. O. Toronto. Auth. cap. 3,000,000 shares, $1 par.

Black Jack Gold Placers—B. C. incorp. April 15, 1937. H. O. T. Alan Chandler, Main St., Barkerville, B.C. Auth. cap. 70,000 shares, $1 par.

Bonaventure Mining Co.—Que. incorp. April 5, 1937. H. O. 407 McGill St., Montreal. Auth. cap. 3,000,000 shares, $1 par.

Brooke Cadillac Gold Mines—Que. incorp. April 3, 1937. H. O. Montreal. Author. cap. 3,000,000 shares, $1 par.

Brough Lake Molybdenum—Ont. incorp. April 8, 1937. H. O. Toronto. Auth. cap. 3,000,000 shares, $1 par.

Carolina Gold Mines—Ont. incorp. April 9, 1937. H. O. Toronto. Auth. cap. 150,000 shares, $1 par.

Corson Gold Mines—Ont. incorp. April 9, 1937. H. O. Toronto. Auth. cap. 4,000,000 shares, $1 par.

Despina Gold Mines—Que. incorp. March 31, 1937. H. O. Montreal. Auth. cap. 4,000,000 shares, $1 par.

Dransfield Mining Co.—Ont. incorp. April 8, 1937. H. O. Toronto. Auth. cap. 5,000,000 shares. $1 par.

Landor Gold Mines—Que. incorp. April 6, 1937. H. O. Montreal. Auth. cap. 3,000,000 shares, $1 par.

Lavalie Mines—Ont. incorp. April 10, 1937. H. O. Toronto. Auth. cap. 3,000,000 shares, $1 par.

Nelson Gold Mines—Que. incorp. March 25, 1937. H. O. Montreal. Auth. cap. 4,000,000 shares, $1 par.

New True Fissure Mining and Milling Co.—Ont. incorp. March 24, 1937. H. O. Windsor, Ont. Auth. cap. 1,750,000 shares, $1 par.

Placer Management—B. C. incorp. April 20, 1937. H. O. Eleventh Floor, Royal Bank Bldg., 675 Hastings St. W., Vancouver, B.C. Auth. cap. 50,000 shares, $1 par.

Howey Costs Are Whittled To New Low

Red Lake Producer Meets Lower Recovery By Further Economies

FINANCES STRONG

Further whittling of costs at Howey Gold Mines, low-grade Red Lake producer, almost offset lower grade per ton in the fiscal year ended Dec. 31, 1936, the company's annual report shows. Total costs, including all charges, were cut to the phenomenally low figure of $1.99 per ton, as against $2.30 in 1935. and $2.39 in 1934.

Value per ton of ore hoisted dropped to $2.57 from $2.98 in the previous year, the report of Fraser D. Reid and Edward Futtere, general managers shows.

Underground, the winze was sunk from the 1,500-foot level to the 2,000-foot level, and stations cut at the 1,700, 1,850, and 2,000-foot horizons. No ore was found in this work but considerable exploration of the 2,000-foot level remains to be done. Nothing of commercial importance was found by surface work and drilling.

Broken ore reserves at the end of the year amounted to 568,000 tons, compared with 457,000 tons the previous year. Unbroken reserves at the end of the year were 916,000 tons, making a total reserve of 1,484,000 tons. In addition to this, 100,000 to 150,000 tons of better than average grade ore will, in all probability, be recovered from permanent pillars. No estimate of grade is given in connection with ore reserves.

In the balance sheet, as at Dec. 31, 1936, current assets are shown at $1,177,430, including Dominion of Canada bonds at cost of $10,000, and cash of $847,385. Current liabilities total $154,834, leaving a working capital of $1,022,596, an increase of $249,653 over the previous year.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Ore production	1,239,134	1,319,764
Discounts received	422	461
Int. earned (net)	9,895	7,895
	1,249,451	1,328,120
Less: Develop., drilling & explorat.	72,844	90,371
Mining	360,546	381,340
Crushing & conveying	38,142	40,294
Milling	222,704	231,987
Shipping & mktg.	6,276	7,111
Insurance	16,243	18,383
Admin. exp., mine & H.O.	63,539	75,181
Tax reserve	29,274	39,472
Profit on operations	439,883	443,981
Less: Depreciation	136,752	135,705
Prelim. devel. exp. w/o	105,705	96,993
Net profit	197,426	211,283
Add: Previous bal.	25,649	64,366
Profit on sale invest.	15,569	......
Less: Dividends	200,000	250,000
Balance forward	38,644	25,649
Earned per share:		
Earned	$0.0394	$0.0423
Paid	$0.04	$0.05

Mining Company Reports

International Mining

Net assets as of March 31, 1937, of International Mining Corp. amounted to $9,893,173, the company reports in the regular quarterly statement. This figure was after balance ($73,355) of reserve set up in 1935 from mining venture losses, after provision for federal income tax. Net assets work out to approximately $17.62 per share for the 561,373 shares of common stock outstanding.

As of March 31, 1937, there were outstanding purchase warrants of the predecessor company entitling the holders to purchase 47,239 shares of common stock at $10 per share on or before Sept. 1, 1939. If all these warrants had been exercised on March 31, 1937, the corporation would have received $472,390 additional capital; the number of common shares outstanding would then have been $608,612, and the net asset value would have been approximately $17.03.

Fairview Amalgamated

A net loss, before provision for depreciation and depletion, of $6,062 is shown in the annual report of Fairview Amalgamated, B. C. producer, covering the 10 months ended March 31, 1937.

G. J. Vaux, president of this company, which last May took over the property and mill of the Morning Star mine, reports that while there is still no tonnage of blocked-out ore, there are some 9,200 tons broken in the stopes, and work done at No. 2 mine gives every indication that the 300,000-ton estimate of former engineers will be exceeded. Considerable additional tonnage is estimated in the No. 1 mines, Mr. Vaux states.

Early in 1937, directors decided to install additional milling equipment to bring mill capacity up to 200 tons daily. A loan of $5,000, guaranteed by two directors, was obtained from the bank for the purchase of this machinery.

Balance sheet as at March 31, 1937, shows current assets of $21,861, including concentrates on hand of $13,246, at cost. Current liabilities totalled $14,308.

Profit and Loss Account
(10 Months Ended Mar. 31)

	1937 $
Concentrates produced, less freight	69,641
Less: Operating costs:	
Mining	35,279
Hauling	3,749
Milling	26,079
Cookhouse and camps	438
Mine super. & admin.	6,970
Engineering	454
Sec. & head office	941
General admin.	1,057
	*5,326
Prov. for mineral taxes	736
Loss before depreciation & deplet.	6,062

*Deficit.
Cookhouse and camps 438

Crow's Nest Pass Coal To Pay Common Dividend

Crow's Nest Pass Coal Co., Fernie, B.C., will pay a dividend of $3 a share on its common stock. Payment will be made on June 1, 1937, to shareholders of record May 7.

Payments on this stock in 1936 totalling $7 a share were made from depreciation and depletion reserves. The company earned $4.48 a share in 1936.

Ontario Nickel Drills Old Claim

Starts Development of Old Mount Nickel Property

From Our Own Correspondent

SUDBURY. — First work in the Sudbury district, of the Ontario Nickel Corp. will be undertaken in the diamond drilling of the old Mount Nickel property adjoining the famous Frood-Stobie deposit, according to officials of the corporation now in Sudbury. It is expected a Sudbury diamond drilling firm will have drills and crews on the ground within a few days, Dr. Hans Lundberg recently completed a geophysical survey of the property.

The Mount Nickel comprises 360 acres, nine claims, north of the Frood and Stobie mines. The ore-bearing contact is stated to cross the Mount Nickel near its southern border and dip to the north. An engineer's report states that the ore range extends across an estimated distance of 3,200 feet.

Walter G. Watkins, secretary of Cuniptau Mines, which has been absorbed by Ontario Nickel Corp., has been in Sudbury for the last few days making arrangements for the commencement of operations in this field.

Sudbury Basin Profits Lower

Security Sales During Year Add $279,092 to Earnings

Net earnings of Sudbury Basin amounted to 17 cents per share during 1936, as compared with earnings of 23 cents per share for the preceding year, the annual report for 1936 reveals.

The company's profit on sale of securities last year was $279,092, but this was more than offset by write-offs of $316,504 to securities, $29,478 to exploration expenses, and $13,875 to advances to an associate company. Net profits fell from $384,850 in 1935 to $286,331 in 1936.

Sudbury Basin's major shareholdings, including Falconbridge Nickel, Sherritt Gordon, Canadian Malartic, Beattie Gold and Osisko Lake Mines, remained unchanged during 1936, but its holdings of Matachewan Consolidated and Nipissing Mines increased.

Joseph Errington, president, points out that Falconbridge Nickel has paid the cost of plant expansion, amounting to $2,140,624, out of profits, entailing no increase in capital. Canadian Malartic is now milling at over 600 tons per day, and directors expect to give consideration to a dividend some time during the current year.

Preparations are being made to put Sherritt Gordon into production when electric power is available from the Hudson Bay Mining and Smelting Co., about July 1 of this year. Consideration will be given to further plant increase at Matachewan Consolidated if results obtained from the opening of three new levels down to the 650-ft. level during 1937 are satisfactory.

Profit and Loss Accocnt
Years Ended Dec. 31

	1936 $	1935 $
Dividends earned	377,755	373,080
Profit on sale of secs.	279,092	20,715
Sundry revenue	1,005	373
Total income	657,853	394,168
Less: Secs. w/o or w/d	316,504	......
Net income	341,348	394,168
Less: Gen. expenses	11,664	......
Write-offs:		
Exploration, etc.	29,478	......
Advs. to assoc. co.	13,875	......
Net profit	286,331	384,850
Earnings per share	17 cents	23 cents

Mining News Concentrates

Bralorne Mines—Reports April production of 6,481 fine ozs. from treatment of 13,998 tons of ore.

* * *

McVittie Kirkland Mines—Obtained about 14 feet of mineralized core from No. 6 hole at its property in Larder Lake area. Hole was discontinued at 126 feet when the drill bit was lost. No. 7 hole has been spotted 50 feet east of No. 6.

* * *

North Huron Gold Mines—Is now sinking its No. 5 drill hole on the property in Galbraith twp., Algoma district, and drilling is continuing on the No. 1 vein. The four holes drilled to date along this vein have cut an average of about 14 feet of mineralized quartz approximately 300 feet down.

* * *

Roger Red Lake Gold—In an attempt to prove up an extension of the Faulkenham Lake occurrence, has started diamond drilling on its property adjoining Faulkenham to the south.

* * *

Siville Ferrier Syndicate—Has arranged for a drilling campaign to be undertaken on its west group of claims in the Jackfish area. Work is expected to be under way about the middle of the month, when operations will be concentrated on exploring two major ore zones which have been determined for widths of 20 and 9 feet, respectively.

* * *

Strathy Basin Mines—Reports that diamond drill hole No. 4 at the property in Chester twp. encountered the vein 118 feet down, showing width of 72 inches, the first 36 inches assaying $12.95 and the second $17.15. A shaft is to be sunk to 225 feet and two levels established.

* * *

Wesley Gold Mines—Seeking conditions similar to those on Kerr-Addison, from which it is a short distance east, is continuing diamond drilling at the property in Larder Lake area. No. 5 hole is being drilled to the north of previous ones and from this officials anticipate better results. No values showed in the first four holes completed.

* * *

West Side Long Lac Mines — has started drilling by hand steel to open up a quartz showing which has been uncovered in contact with greenstone on its Bousquet twp. property, according to Hannam Exploration Co., which is developing the Bousquet holdings. West Side holds in addition four groups of claims in the Long Lac area.

C.N.R. Wages War to Stop Quebec Line

Point to Duplication in Northern Mining Camps

DEBATE ADJOURNED

From Our Own Correspondent

QUEBEC.—Despite the fact that C. N. R. opposition was squashed by the Legislative Assembly's Railways Committee in the bill authorizing the Compagnie du nord-ouest de Quebec (Quebec Goldfields Transportation Co.) to construct a railway line from Mont Laurier to Val d'Or, the railway company in question is still opposing the bill (and authorization) in the Legislative Council, and intends fighting the thing through to the end, or until the bill becomes law.

The bill in question is now before the Railways Committee of the Legislative Council, and as soon as it was called, Jean Mercier, representing the Quebec Goldfields Transportation Co., sought to have the company's name, which has been changed by the Legislative Assembly, re-altered. Inasmuch as debate on the bill had not even started, committee members decided that it might be just as well if the question of again changing the company's name be held over. Argument regarding the company's name will take place this week.

Mr. Mercier then explained that the road in question would shorten the distance between Montreal and Val d'Or by some 112 miles, and would keep in Quebec the traffic which, he claimed, was now going to Ontario.

Messrs. C. V. Darveau and Antoine Rivard, representing the Canadian National Railways, vigorously challenged this contention, and claimed that 85% of traffic scheduled for the Abitibi and the new mining regions originated in Montreal, Quebec and other centres of the province. In so far as traffic from the mining regions was concerned, the lawyers cited the case of Noranda as being the only point where there was really any competition between the C. N. R. and the T. & N. O., which shipped 95% of its traffic to Montreal.

They claimed that the projected railway would give no additional service to the big centres of the province, and that it would only take away part of the receipts to which the Transcontinental was entitled. The Transcontinental, they submitted, had been built with money belonging to the people of Canada, and was the sole road to develop the region. After having expended some $90 millions in Quebec to open up the Transcontinental and its branches, the Canadian National, administrator of the railroad belonging to the people of Canada, believed itself entitled to some protection, especially as the province would derive no economic benefit from the construction of the road.

Debate on the bill was then adjourned for a week, and it is expected that the Canadian National will vigorously fight all claims offered by the sponsors of the new road, and may even appeal to Ottawa to prevent a charter being granted by the Federal House.

Wings Limited

Revenues of Wings Ltd., Winnipeg, showed an increase to $98,169 for the three months ended March 31, 1937, compared with $29,705 for the first quarter of 1936. This represents an increase of $68,463.

The company's airplanes carried 788,593 pounds of freight and express in the 1937 quarter, compared with 328,776 for the corresponding period of 1936.

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Metropolitan Building Bondholders Adopt Plan

Holders of 7% general mortgage bonds of Metropolitan Building, Toronto, on May 3, 1937, voted approval of the recapitalization plan which provided for a reduction in interest. The new rate on the general mortgage issue will be 3½% for the first year and 4½% thereafter, non-cumulative for the first three years.

Metropolitan Building also plans to redeem its 7% first mortgage bonds on July 15, 1937, at 103 and issue $750,000 of 4¼-4½% serial and 5% 15-year first mortgage bonds.

General Motors Adding Diesel Engine Division

General Motors Corp. will begin construction at once of a $1.5 million Diesel plant unit at Detroit. Engines to be constructed in this plant will range from a 20-h.p. single cylinder unit to a 160-h.p. six cylinder unit. The single cylinder engines are for stationary use while the larger ones will be adaptable to marine, stationary or commercial vehicle use.

William Thomas Crowe will be general manager of the new division. He has been with General Motors since 1920, part of the time with the Opel division in Germany.

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O'Brien Transformation Lends New Impetus to Exploration Of Cadillac Field Properties

Increasing Activity Marks Opening of New Season in Northwestern Quebec District — Further Development Work Believed Justified

From Our Own Correspondent

ROUYN, Que.—Scene of one of the most intense and most widely publicized developments in mining history last summer and fall, the Cadillac area of Quebec will, this season, have to take its coat off, and get to work.

Out of last summer's shouting and tumult have emerged an unusually large number of properties on which preliminary work has indicated that a further season's development work is justified. At the start of a new season, a review of the current picture is newsworthy.

The Cadillac section of Quebec is comparable to the rich Kirkland Lake belt, in so far as there are a number of mines in a line, or along a "break." The term "break" as used in this instance means a large fault zone, or shearing, which can be traced over a distance. The whole Kirkland Lake ore zone, it is pointed out in a review written by J. F. B. Davies, M.E., prominent Northwestern Quebec engineer, is included in a territory scarcely three miles long, whereas the Cadillac "break" can be definitely traced from the vicinity of **Lapa-Pandora** holdings as far west as the boundary of the township, on the Thompson Cadillac property, a distance of approximately six miles. In addition the main zone in Cadillac is accompanied by subsidiary faults, Mr. Davies points out, and these smaller faults have been filled with quartz and later injected with gold.

Parasitical Wildcats

Certain difficulties encountered in the treatment of the ore types found in Cadillac twp. made engineers somewhat hesitant to recommend properties in the area, but with the lure of O'Brien's phenomenal success acting as a "come-on," operators and speculators have become less reticent to make substantial cash outlays to finance work in the district. The intense quickening of interest in the area has been the result. Another result, of course, has been the appearance and promotion of wildcat operations, those perennial parasites in the growth of any major mining camp. Disregarding the latter, however, there still remain a number of companies whose ultimate chances of coming through are good, and whose development is closely linked with the spectacular O'Brien discoveries.

At the extreme westerly end of the township, for instance, is the **Thompson Cadillac** property. Slightly more than two years ago this property, on which a 150-ton mill had been erected and in operation for several months, was shut down, and the organization controlling it went into voluntary bankruptcy. Apparently basis for this decision was derived from an adverse report on the property presented by an engineering authority. Subsequent re-examination by other engineers, however, indicated that the Thompson claims showed definite possibilities of providing sufficient ore for a moderate tonnage mill. Conditions geologically were shown to be identical with O'Brien, which at that time was producing at the rate of $30,000 to $35,000 per month, and the Thompson proposition was acknowledged to be a "good bet."

As a result work was resumed, and returns from underground exploration were of such encouraging nature that decision to re-open the mill was made. By a strange coincidence, the mill turned over for the first time since the shutdown during the same week in May that O'Brien barged into the limelight. Since its re-entry into the producing class, Thompson Cadillac has given results sufficient to justify the optimism of those who believed in its chances, and stands a very good chance of becoming one of the important gold factories of northwestern Quebec.

Current developments have disclosed important ore bodies on the lower levels of the mine, and production is being maintained at an average of about $25,000 per month. It is now proposed to expand the milling capacity of the plant, in order that more economical treatment of the ore can be achieved. It is stated that costs can be cut to considerable extent by handling a larger tonnage, and it is expected that equipment to bring the mill up to 300-ton per day capacity will shortly be installed. Operations at Thompson Cadillac are directed by W. E. Leonard, working with Andrew Walz, consulting engineer and managing director.

O'Brien Transformation

Immediately to the east of Thompson Cadillac is the **O'Brien Gold Mines** property. In March of last year it took the very finest kind of enthusiasm, sprinkled generously with a super-portion of optimism, to convince O'Brien shareholders and the mining world in general, that the O'Brien was not a small mine tottering feebly on its last legs. There were many ready to believe that the luck of the Irish was failing. The 75-ton mill was putting through its daily quota, but operating losses were looming increasingly larger. The market value of the shares lingered around the 30-40 cent bracket, and those holding the certificates were not unduly happy.

To go on from this point is to repeat facts that are known to everyone interested in Canadian mining. The past year has been one of unparalleled development at the O'Brien property. The shaft has been extended to 1,512 ft., and new levels have been opened up. The high-grade pocket has been shown to extend for a vertical depth of at least 500 ft., and there is the distinct possibility that it may continue even further down. A new shaft is to be sunk to explore other sections of the property where diamond drilling has indicated the presence of ore bodies. Profits are accumulating in healthy style, and the future possibilities of the mine are promising. The mill capacity has been stepped up to 150 tons per day, and that the O'Brien is headed for a premier place in the northwestern Quebec mining scene in years to come goes without saying. J. G. Dickenson is general manager, and Harry Sparks is in charge of work at the mine.

Moving eastward, the next property on the line of the so-called O'Brien strike is that now being developed by **Kewagama Gold Mines.** Originally owned by **Cartier Malartic Mines, Ltd.,** this group was later transferred to **Canadian Gold Operators, Ltd.,** who in turn passed over control, late in 1936, to the present company. Currently the shaft on the property is being deepened, and considerable lateral work is being projected to investigate the eastern extension of the structure traversing the O'Brien and Thompson Cadillac claims. **Ventures** holds a large portion of the shares of Kewagama Gold.

Central Cadillac

The southeasterly corner of the **Central Cadillac** group of claims is likewise being explored in aggressive fashion. A shaft has been sunk to a depth of 250 ft., and work is going ahead on two levels at present. Results are reported encouraging, and with the incentive of a possible "sweetener" of high-grade ore as a possibility, development is being advanced at a rapid rate. R. C. Bryden, dean of northwestern Quebec engineers, is directing work at Central Cadillac.

Decision has recently been made to sink shafts on both the **Wood Cadillac** and **Amm Cadillac** properties, which are the next groups along the eastern extension of the Cadillac break. Diamond drilling on both these holdings has indicated favorable structure, and underground work is to be conducted to secure further information as to the mine-making possibilities. A Montreal group is in charge of the financing of **Wood Cadillac,** while Toronto interests, headed by Henry Tuder, are providing the capital for the development of Amm.

Pandora Cadillac, which is the next easterly property, is in a more advanced stage of development, with lateral workings on four underground levels. The so-called "bell" vein is the chief ore-source indicated to date, but diamond drilling and surface exploration has shown that other encouraging conditions exist on the property. New important discoveries have been made more recently on the western section of the ground now held by Pandora, close to the Wood Cadillac boundary line. A joint diamond drill hole put down in this vicinity returned values that were considered important by both companies concerned, and as a result it would not be surprising if decision were made to explore the western section of Pandora by a second shaft. At Pandora, John W. French is in charge of operations.

Shot in Dark Scores

Lapa Cadillac is the most easterly property on the line of the O'Brien break. Work is proceeding underground on four levels, and the shaft has just been completed to 590-ft. depth. Extremely heavy overburden made the Lapa prospect a decided gamble, inasmuch as there was scarcely an outcropping of rock at any point on the property. The preliminary exploration, therefore, was very much in the nature of a shot in the dark. Conditions indicated in drilling showed a definite relation between Lapa Cadillac's geology and the general Cadillac ore-bearing structure, and it was on this basis that work was undertaken. After considerable difficulty, bed-rock was finally reached, and work went ahead in normal manner. Three ore-zones have been disclosed, and the active exploration programme should soon provide definite information on the chances of bringing the property through to the producing class. Denison Denny, member of a family widely known in world mining, is manager at Lapa.

At about the centre of the Lapa Cadillac property, there is evidence of a major fracture or twisting. Technically the condition is described as a dragfold, which, interpreted, boils down to the fact that some force or forces has impelled the diversion of vast rock masses from their normal position. In this case the detour is in a southeasterly direction. Directly south of Lapa evidences of the conditions prevalent on the O'Brien break have been uncovered on the **Maritime Cadillac** property, and further south and east, on the **Pan-Canadian** claims. On the latter the similarity is quite evident, with massive free gold uncovered in surface trenching. On **Dempsey Cadillac,** at the extreme east end of the township, results would also appear to suggest the continuance of O'Brien conditions.

All exploration work in Cadillac has, of course, been given impetus by the O'Brien find. It is scarcely to be conceived that the actual O'Brien high-grade shoot will be traced across the township, and the operators of the other Cadillac properties would probably be the first to concur in such an opinion. There is, however, the better-than-average chance that ore bodies of economic importance will be located along this belt. The general geology of the district is relatively favorable for deposition of precious metals, according to engineering authorities, and work on lower levels at O'Brien has shown that such conditions as appear near surface can be considered as persisting to depth. All these factors, then, must be considered in evaluating Cadillac twp. properties.

One thing in favor of O'Brien and the neighboring Cadillac operators, is that they have led the way in focusing the attention of the mining world and the Canadian public in particular, on mining events in northwestern Quebec. The past year is one that will go down in the records as the year of the great awakening, as far as the mineral possibilities of this section are concerned. Previously results in this province had been highly encouraging, and big mines had been in operation, but it took the spark of O'Brien's Croesus-like find to really fire the fancy of the public. The results, as outlined in this review of only one sector, are evidence of the vast difference that favorable public attention can make in the development of any mining district. From the properties mentioned, and from many others in Cadillac, the hum of activity rises around and about a section that was practically dormant in the early months of 1936.

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Normetal Mining Corp. Lists Stock in Montreal

From Our Own Correspondent

MONTREAL.—Capital stock of Normetal Mining Corp. has been called for trading on the Montreal Curb Market. The listing covers four million authorized shares, of which 2,913,118 shares have been issued. Of the shares remaining in the treasury, 844,362 are firmly underwritten at 75 cents a share.

AVIATION DIRECTOR

John G. Porteous, of Brown, Montgomery & McMichael, Montreal, who has been elected a director of Fairchild Aircraft Ltd.

Plan Alteration in Set-up Of B.C. Company Legislation

From Our Own Correspondent

VANCOUVER.—Although G. L. Fraser, investigating the Hedley Amalgamated Gold Mines scandal, will recommend brokerage reforms when he lays his report before the Provincial Government, the Government is already taking steps to correct a situation, which is believed to have impeded complete control over mine financing.

Premier T. D. Pattullo says that administration of the Securities Frauds Act will be separated from the office of the registrar of companies. The two departments in conjunction, under H. G. Garrett, are believed to be too heavy for one man, and the joint supervision of the two departments has often been criticized.

One suggestion has been the appointment of a three-man board composed of a mining engineer, an accountant and a lawyer with corporation experience to supervise all stock issues. Another has been the appointment of a Government representative to sit in on all sessions of the listings committee of the Vancouver stock exchange.

Extent of the reforms to be suggested by Mr. Fraser is not yet revealed, but it is known that he objects to the way "house accounts" have been handled, and he has also been critical of the situation which permits promoters of mining issues to act as brokers as well.

"Everyone knows that there is a great deal of adventure in prospecting and mining," says Premier Pattullo in his election manifesto, "and much money is spent for which there is no monetary return and involves a considerable degree of speculation. Those who put up their money for the purpose of legitimate development are entitled to every encouragement, and the public, which is always ready to speculate, should be able to feel assured that the enterprise in which they invest is honestly conducted. The relationship of mining to the prosperity of this province renders it imperative that the public shall have confidence in all phases of its operation."

News Concentrates

Ainsworth Mines—Is installing machinery at Maestro Silver Lead Mines, adjoining Ainsworth in the Lake Kootenay district of B.C. and controlled by the same group. William Dykes and E. A. R. Newson, president and a director of Ainsworth, respectively, who are visiting the property, anticipate an increased output from it following recent development work and the installation of new machinery.

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Amm Gold Mines—Has contracted for a complete mining plant capable of carrying a three-compartment shaft to 1,000 feet and also arranged for power with the Northern Quebec Power Co. Delivery and installation of the plant will start immediately roads are open after the break-up. Over 5,500 feet of diamond drilling has been completed on this Cadillac twp. property since issuance of the last progress report. Favorable surface indications are said to have been proved at depth.

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Arrowhead Gold Mines—Is circularizing shareholders of Arrowhead Consolidated Mines advising them that the vendors of Arrowhead Gold Mines have deposited 200,000 fully paid up and non-assessable shares for distribution to certain shareholders of Arrowhead Consolidated, which company was wound up and liquidated under the bankruptcy act. Old Arrowhead shareholders are being asked to declare their share holdings, and the cost of them, to the Chartered Trust and Executor Co. before June 30, 1937. Current assets of Arrowhead Gold Mines as at Dec. 31, 1936, amounted to $43,341, as against current liabilities of $11,612.

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Britcana Gold Mines—In Bryce twp., Temiskaming district, Ontario, is starting shaft sinking under power, the mining plant being ready for use and capable of carrying operations to 350 foot depth. Good values are reported to have been obtained from preliminary work on No. 1 vein, which has been proved by surface work and diamond drilling for about 300 feet.

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Capital Rouyn Gold—Will immediately explore its recently acquired claims south of Kerr-Addison in Larder Lake area. No ore body sufficiently large to warrant mill erection has been located on the company's property adjoining Norlake in the Chibougamau area, Dr. P. J. Moloney, president, told the annual meeting, but the engineer and geologist are both hopeful of locating the continuation of veins found on neighboring properties.

• • •

Central Duverny Gold—Has completed diamond drill holes Nos. 4 and 5 at its property in Duverny twp., Quebec, and cores are now being assayed. President Jean Lebret reports that diamond drilling has already indicated a mineralized formation. Results of the recently completed geophysical survey are now being correlated. The management expects that other sections of the property may also respond favorably to development work.

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Central Gold Mines—Holding 240 acres in Dasserat twp., Quebec, has acquired an additional group of seven claims in the Sturgeon River area of Ontario, about half a mile from Sturgeon River Gold Mines. Extensive surface work followed by diamond drilling is proposed, and a crew has already left for the property. New holdings are said to be well located.

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Century Mining Corp.—Has all mining machinery installed at its West Shore property in Manitoba and is now shaft sinking. Russell McIntosh, mine manager, reports that the shaft is now down about 45 feet.

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Dawson-White, Gold—Has so far completed 14 diamond drill holes covering two sections of the 2,200-foot contact zone which on surface gave values across mineable widths. The complete mining plant is now on the property in Sturgeon Lake area and as soon as the drilling programme now under way has furnished information for the selection of a shaft site, housing and installation of the equipment will be made.

• • •

Doreva Gold Mines—Will increase the working crew at its Bousquet twp. property as soon as the spring break-up is over, and plans further development of the property formerly known as Sagamore Gold Mines, which Doreva acquired last December. Lawrence B. Wright reports that the Sagamore property contains a number of gold-bearing quartz veins with limited exposures. He adds that the veins are located in a geological structure which is known to be well mineralized at various points along its trend. Large areas of covered ground are said by Mr. Wright to merit exploration by diamond drilling.

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Fontana Gold Mines—Will sink a shaft to 200 feet on its Duverny twp. property and establish a level at 175 feet. The property's "C" zone will be explored while shaft sinking is going forward. So far a length of about 300 feet on the vein has been proved up. Width is reported as about 4 feet, giving interesting values.

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Freegold Mines—Reports that of the eight diamond drill holes put down on the property in Launay typ., Quebec, a 4-foot section in No. 3 hole averaged $15.40 in gold per ton.

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Golden Gate Mining—reports good progress in establishing the new working shaft at the property. Raise from the 350 level is now up over 300 feet, and should be completed by the end of April. All construction work should be completed, the management anticipates in time to allow the resumption of development operations by about May 10.

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Hayes Cadillac—Cut 400 feet of porphyry in diamond drill hole No. 7, reports Colin A. Campbell, consulting engineer. No 8 hole has been started. This drilling is being done near the Lapa Cadillac boundary, which property adjoins Hayes Cadillac on the southeast.

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Kenecho Gold Mines—Is sending in a crew to the company's Rowan Lake holdings as soon as weather permits. Party will be under the direction of Charles Young, managing director. This property adjoins the Errington ground on the southeast. Group consists of 22 claims. The shaft is proceeding to 125-foot depth at Kenecho's No. 1 property at Echo Bay in the Kenora district.

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Lakeside Kirkland—In eastern Kirkland Lake area, formerly the Queen Lebel property, contemplates further activity. A financing deal which, if completed, will net the company $10,000 a month for 18 months, is being considered by the directors. Treasury is reported to have between $75,000 and $85,000 in it at present. Some shareholders who bought stock though a broker some time ago obtained a stop order on the money in Lakeside Kirkland's treasury. Securities Commissioner John Godfrey, on application of the directors, has lifted this order.

• • •

Lardego Gold Mines—Is now drilling its fourth hole at the property in Larder Lake ara and doing surface work in another section of the porperty where a vein is said to have been traced for about 1,000 feet. No. 1 hole of the two pilot holes located a break paralleling the length of Pancake Lake and passed through 60 feet of dolomite. No. 2 hole cut a section containing mineralized quartz stringers. From some sections in both holes low values were had. As soon as it cut the formation No. 3 hole was pulled.

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MacFarlane Long Lac—Is said to have cut 14 feet of vein material at a vertical depth of 220 feet in the latest hole drilled on the property at the eastern end of the Beardmore-Little Long Lac belt. Material is said to have averaged medium grade over 14 feet. Newest hole was sunk 300 feet west of one drilled in 1935 which gave values of $18.90 over 31 inches. It is understood that the drilling contract has been extended to 5,000 feet and that a financing deal has been completed by the company.

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Monarch Mines—in Dasserat twp., Quebec, reports that No. 10 hole has cut 10 ft. of vein material, 3 ft. of which indicate commercial grade. No. 3 hole returned $44.70 across true width of 6 feet, while No. 7, drilled immediately below, gave $33.60 across 4 feet true width. Other holes east of the shaft gave $5.25 across 2 feet, and $92.67 over 2 feet true width. According to the financial report for 1936, the company's position improved, there being at year end $117,608 cash in bank in addition to $9,019 stores and supplies at Dasserat twp. property, as against accounts payable of $1,628.

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Orcour Gold Mines—Capitalized at 10,000 shares, $10 par, has been formed to develop 25 claims in Louvicourt twp. Quebec, between Midcour and Centrecoeur Gold Mines on the east and Fleming and Astoria Gold on the west. Thorough exploration by stripping, trenching and diamond drilling is recommended by Robert Vaughan. Exploration will start as soon as weather permits.

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Gurney Report On Low Level Is Promising

Conditions Shown Similar to Upper Levels Where Values Found

GOOD STRUCTURE

From Our Own Correspondent

WINNIPEG.—The 500 and the 625-foot levels of Gurney Gold Mines are continuing to prove geological and structural conditions similar to those of the upper levels, according to a report just made by C. B. Dawson, the company's consulting engineer.

On the 500-foot level where the high-grade shoot plunging southward from above the 125-foot level at about 45 degrees through the 250- and 375-foot levels should be found, the acid intrusive dyke of the upper levels was encountered. Before the hanging wall of the dyke was cut the drift was along strong vein material with erratic values as high as 1.23 ounces. A raise started in this material opened 48 inches of quartz carrying a mixed mineralization and in appearance similar to that of the high-grade shoot. The raise will be continued as there is reason to believe it is opening the downward reach of the shoot.

On the 625-foot level, extension of the drift northward of the shaft crosscut opened varying widths of vein material and conditions similar to those of the upper levels but the average of values was low. The continuance of the drift, recently opened consistently better gold content and may be entering a length of commercial grade. The drift south of the shaft entered the downward extension of the acid dyke.

With geology and structure throughout the drift the same as that of the upper levels where excellent values are proved there is reason to expect that continued exploration will yield equally encouraging returns, officials believe.

Sladen Malartic Mines Opens Up Ore at Depth

From Our Own Correspondent

MONTREAL.—Ore, similar to that found on the 200-foot level, is being disclosed on the new 350- and 500-foot horizons, according to a report issued by Andrew Walz, managing director of Sladen Malartic Mines. Excellent values, he says, have been secured on both the new levels.

Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG.—Workers are drifting into Sherridon for the reopening of the Sherritt Gordon mine. No date has been set for the formal opening of the property, if indeed there is a formal opening. It has been ready to go for some months, held back only by the ability of the Hudson Bay Mining and Smelting Company to deliver power.

This power, supplied from a new unit now being constructed and just about completed at the Island Falls power site on the Churchill River, will probably be ready about June 1. If there are no hitches, work will probably commence as from that date. It may, however, take three or four weeks to get everything ironed out smoothly, which would bring official opening about July 1, the tentative date mentioned by officials of the company. All trains to Flin Flon leaving Winnipeg, however, are carrying important members of the crew, many of whom were there in the earlier days of the mine.

Monarch Gold Production

Twenty-two men are employed at the Monarch Gold Miners Syndicate property, 14 miles southwest of Flin Flon. Although very little is heard about this property, it is one of the few successful small operations. The shaft is down only about 150 feet. Mill feed has been coming largely from the ore taken from the shaft. The mill takes out the greater portion of the gold and the balance is concentrated and sent to the Flin Flon Smelter, only a few miles distant. The vein on which the company is working is spotty but generally speaking, its average is well above a minimum, running up actually to more than $150 per ton. The mine has had the advantage of the close general supervision of Dr. J. Frank Wright, who is responsible for its development.

Big Missouri Mines Sells Block of Stock

From Our Own Correspondent

MONTREAL. — Big Missouri Mines announces that 35,000 shares at 50 cents a share have been taken up under terms of the option agreement, leaving under option 1,025,633 shares at the same price.

Director Resigns

From Our Own Correspondent

MONTREAL.—Donald P. Kenyon has resigned as a director from Powell Rouyn Gold Mines, according to official advice sent by the company to the Montreal Curb Market.

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Your Mining Stocks

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Leitch Gold Mines

Some time ago you reported favorably on Leitch Gold Mines. What is the current picture?

—

In the first annual report issued by Leitch Gold Mines Ltd. it was stated that ore reserves as at Dec. 31, 1936 amounted to 16,113 tons grading 0.90 ounces per ton partially developed on two sides and indicated down to the 325-ft. level. A later report on operations indicated that this tonnage has been increased to 19,837 tons grading 1.1 ounces per ton although, of course, dilution will probably bring this figure to approximately 39,000 tons of ore grading $19.60 per ton. This will give sufficient ore to feed the mill for 21 months at the present capacity On the commencement of milling operations on Jan. 10, 1937 to the end of the month the mill handled 1,119 tons of ore, recovering $8,863. In February the mill treated 1,696 tons of ore and recovered $33,487.

The affairs of this company are in experienced hands.

Moneta Porcupine

Please send me a brief report covering operations at Moneta Porcupine.

—

Moneta Porcupine Mines Ltd. owns a gold prospect in Tisdale Twp., Porcupine area of Ontario, adjoining Hollinger. Diamond drilling in the summer of 1936 gave very satisfactory results and indicated an ore body approximately 300 feet in length with an average width of about 20 feet, and average grade of about $20 per ton extending to at least 300 feet in depth. To this is added a body on the south averaging about $14 in grade, 425 feet in width and extending for a further 200 feet. Following this campaign the company started shaft sinking to 500 feet. Since this shaft is sited off the ore body, no development can be expected until levels have been established. The company is in good hands and in its annual report indicates that it is fairly well-financed.

Selecting Stocks

Having read your most interesting article—"Oil Market in Doldrums"—I would like very much if you would at your convenience supply me with the names of half a dozen companies, who are making a real honest-to-goodness effort to find oil. What I really have in the back of my mind is to invest a few hard-earned dollars in some of the lower-priced oil stocks, but by the same token I would sooner take a "flyer" at those who are really boring for oil than otherwise.

—

We very much regret that the long-established policy of The Financial Post prevents us from supplying you with a list of promising oil speculations. We believe, and long experience has substantiated this belief, that the best service we can render to our readers is to supply them with the facts concerning any speculation or investments in which they are interested and leave the selection of stock to their own judgment.

If you would select two or three oil stocks which seem to you to have some promise, and submit the names to us, we would be glad to supply you with an analysis for your guidance.

Sylvanite Gold Mines

I have read with much interest your articles on the situation surrounding the gold mines, in connection with the future of gold and labor. In spite of these uncertainties, it would seem to me that stocks such as Sylvanite would be a fairly good buy at present prices. What is your opinion of this stock.

—

Sylvanite Gold Mines is a conservatively managed company operating a producing gold mine immediately east of Wright-Hargreaves Mines in the Kirkland Lake district of Ontario. Early this year, reports of development work indicated that important additions were being made to the company's ore reserves although complete details will not be known until the company's report appears some time in May. Work on the new 3,000-ft. level is thought to have intersected the downward extension of the north ore body about 100 ft. east of the east face of the 2,875 foot drift face. Average grade of this ore is reported to be $18.50 per ton.

This company has always adopted a safe policy as regards dividends and the fact that an extra five cents per share as well as the regular quarterly dividend of five cents per share was paid March 31 to shareholders of record Feb. 15, 1937, gives a fair indication that the company's earnings position is improved. In the fiscal year ended Mar. 31, 1936, the company earned 26 cents a share and paid 20 cents a share. Annual report for the fiscal year ended Mar. 31, 1937, is not yet available. In the meantime, however, the company is obviously in a sound position both as regards ore and management.

Muton Long Lac

What is happening at the Kenora properties of Muton Long Lac Gold Mines? I have held some of this stock for quite a long while now. What is the current market price?

—

Toronto brokers advise us that there is no market for Muton Long Lac Gold Mines at the present time. This company ratified an agreement in December last with private interests whereby they undertake to continue shaft sinking and carry out a development campaign, installing all necessary machinery. In former operations at this property, which comprises seven claims on the Indian Reserve about six miles southeast of Kenora, Ontario, a shaft was put down by hand steel to 30 feet, but work was stopped owing to lack of funds.

Under the proposed agreement, Muton Long Lac will receive 12½% of the gross gold produced, if any. The company is capitalized at three million shares, of which approximately 1,543,000 shares are issued The financing interests propose to put their engineer on the property as soon as possible.

Darwin Gold Mines

I hold some stock in Darwin Gold Mines, but have been quite concerned about my failure to show a profit. Could you give me any information?

—

Darwin Gold Mines Ltd. owns 34 claims in the Michipicoten area of Ontario. The property is equipped with a mining plant, a 50-ton mill and a complete camp.

This company has in the past encountered considerable difficulty in milling and extraction because the gold occurrences are found in narrow stringers. For January of this year production amounted to $25,236 from 1,280 tons of ore milled, and the company showed a net profit of $6,089. Millheads averaged $20.61 per ton, while net mining and drilling costs for the month amounted to $6.39 per ton, as compared with an average of $8.59 during 1936. February production was $22,800, while profits for the two months were reported at $11,312.

Darwin has as yet not given proof of its ability to become a profitable producer, and its career so far has been disappointing. The management is experienced, and apparently doing everything it can to improve the prospects of this property. The present outlook, however, cannot be regarded as very encouraging.

Amm Gold Mines

A little while ago I bought a block of shares of Amm Gold Mines and would be pleased if you would advise of present conditions etc.

—

Amm Gold Mines, which is developing a gold prospect in the Cadillac Twp of northwestern Quebec, is capitalized at three million shares with approximately 2,004,000 shares issued. The company is at the present time drilling and results have been fairly encouraging. The drilling programme is not yet complete and no decision as to shaft sinking and underground work will be made until this programme is finished. Indications, however, are fairly promising to date. We have seen no recent financial statement, but late last year the company stated that it had $34,000 in cash against current liabilities of some $2,000. This would be sufficient finances to carry out a worth-while development programme.

Lapa Cadillac

Your opinion of an investment in Lapa Cadillac Gold Mines would be much appreciated.

—

Lapa Cadillac Gold Mines is listed on the Toronto Stock Exchange and holds 22 claims in Cadillac Twp. of Quebec. A complete mining plant has been installed including compressors and Diesel engine. A shaft has been completed to 330 feet with levels established at 165 and 290 feet. Two wide zones were cut by the shaft crosscut driven north, and routine exploration of these zones by drifting has been carried on. High assays have been obtained 20 feet east of the shaft crosscut in number 101 drift on "B" zone. A high assay is also reported across a two-foot width west of the shaft in a zone just south of number 102 drift. Number thirteen, started 160 feet north and 400 feet east of previous work, returned favorable results from 42 feet to a depth of 55 feet and is reported to have cut a further 12 feet of mineralized material, sections of which assayed to $12.65 per ton.

The company's balance sheet dated Sept. 30, 1936, showed $113,377.03 cash in the bank against accounts payable and accrued charges of $15,744.68.

As of Jan. 7, 1937, 475,000 shares were under option at 40 and 50 cents a share to net the company $210,000 if the option is fully exercised. The vendor stock consisting of the one million shares for property and the 250,000 shares for past development are in escrow. This company would appear to be an interesting prospect.

Macjoe Sturgeon

Will you please send me any information you may have on Macjoe Sturgeon Gold Mines, covering the past year or two, and present standing.

—

Macjoe Sturgeon Gold Mines holds a gold prospect of 12 claims in the Sturgeon River area of Northwestern Ontario. Some surface exploration and diamond drilling has been carried out on this property but it was inactive late last year, and we have heard nothing of any plans to reopen it.

No work has been carried out on it for some time past and the prospects, therefore, cannot be regarded as encouraging. There is no market for the shares of this company, as far as we are aware.

Macjoe Sturgeon property adjoins Sturgeon River Gold Mines, which is a producer, and it is understood that the company has about $30,000 cash on hand. It might, therefore, be possible that the company would resume prospecting during the spring season. We understand that in former operations, extensive drilling revealed a series of very narrow veins with erratic gold values. Its future will depend largely upon the success enjoyed by the surrounding properties.

Orelia Mines

I would be very glad of some information regarding Orelia Mines, about which I see very little in the newspapers. It was recommended to me some time ago, and I'm not sure whether or not I should have bought some.

—

Orelia Mines, which holds a property in the Rainy River district, is at present negotiating for the purchase of a diamond drill to complete the campaign recommended by its consulting engineer. The tailings dump recently acquired with new properties has been sampled, and it is reported that assay values from 63 pipe samples range from $1.58 to $28 (gold at $35) with no blanks, and average value of $5.83 per ton for the six proved samples. According to the president, sampling by James S. Bow, formerly of the Ontario Department of Mines, showed an average value of over $16 per ton for 177 samples of all classes of ore. The company is capitalized at three million shares, of which 1,400,000 were issued as of Oct., 1936, with 1,300,000 of these shares pooled.

Siscoe Extension

What are current developments at Siscoe Extension Gold Mines?

—

The board of Siscoe Extension Gold Mines was strengthened recently by the addition of important mining interest, including John E. Hammell, a mining man who has a considerable number of successes to his credit. Work is progressing on the property, and recently the company reported cutting an intersection of 5.5 vein assaying $16.10 while drilling below the 350 foot level Another two-foot section below this intersection returned $6.30. This is only an indication and does not definitely prove the merits of this property but it does appear to indicate that the expenditure of more money is warranted.

The property, which is now held by Six-Ex Holdings Limited, the reorganized name of Siscoe Extension Gold Mines, consists of 16 claims adjoining Siscoe Gold Mines in Barsan and Dubuisson Township, Quebec. At the present time development work is confined to drilling.

When Six-Ex Holdings Limited was formed, Siscoe Extension Gold Mines received 1,387,000 shares of the new company.

Exploration Continues At Callinan Flin-Flon

Efforts at correlating structures found on the property with the ore deposition on the adjoining property of Hudson Bay Mining & Smelting Co. will continue, shareholders of Callinan Flin-Flon Mines are told in the annual report of the company for the fiscal year ended Dec. 31, 1936.

During the year, a total of 13,332 feet of diamond drilling was done, which, according to W. J. Bull, engineer in charge, definitely traced the quartz porphyry intrusive, characteristic of the Hudson Bay ore body, over Callinan property.

Balance sheet at the end of the year showed current assets of $26,991, of which $21,991 was cash. Current liabilities amounted to $8,578.

Issue Map of Yukon

The greater part of the Yukon Territory, extending from the northern boundary of British Columbia to about 70 miles north of Dawson, is shown on a new map on a scale of 16 miles to one inch issued by the Hydrographic and Map Service, Department of Mines and Resources. The regions visualized by the new issue include the Klondike, from which area nearly 200 million dollars worth of gold has been extracted since 1896, when the original discovery was made, and the Mayo district, centre of the silver-lead mining industry.

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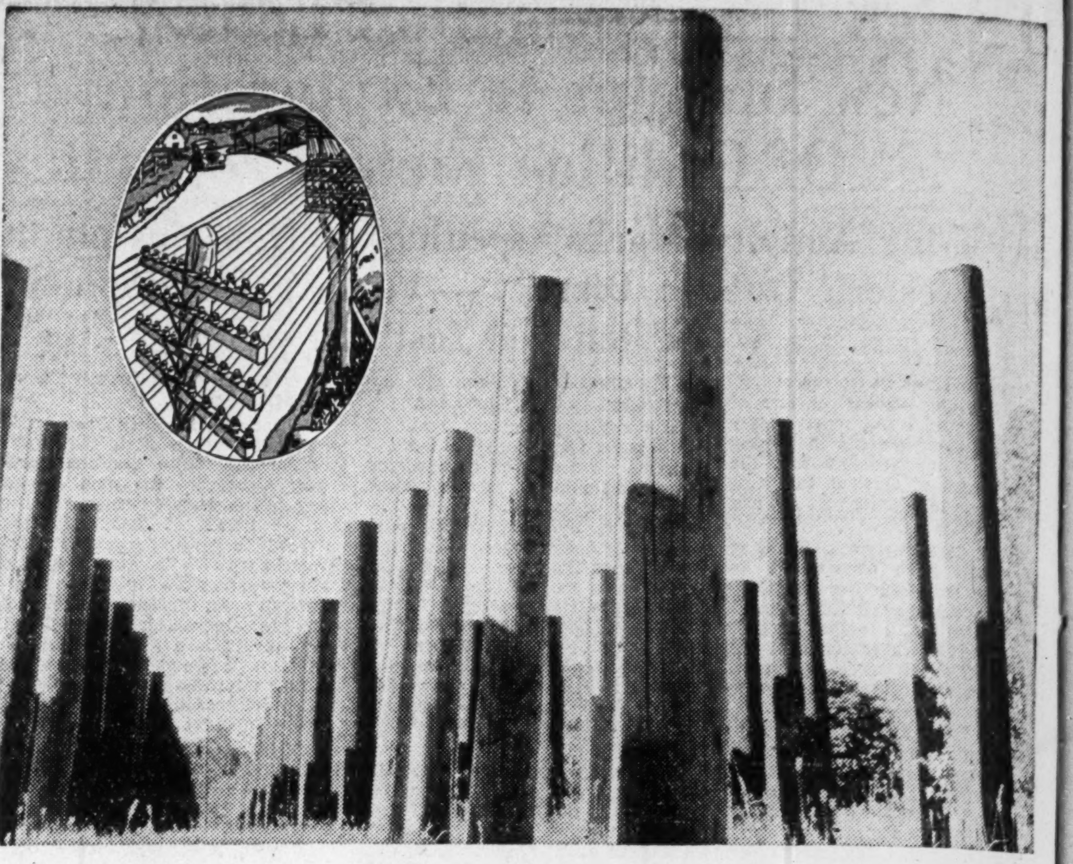

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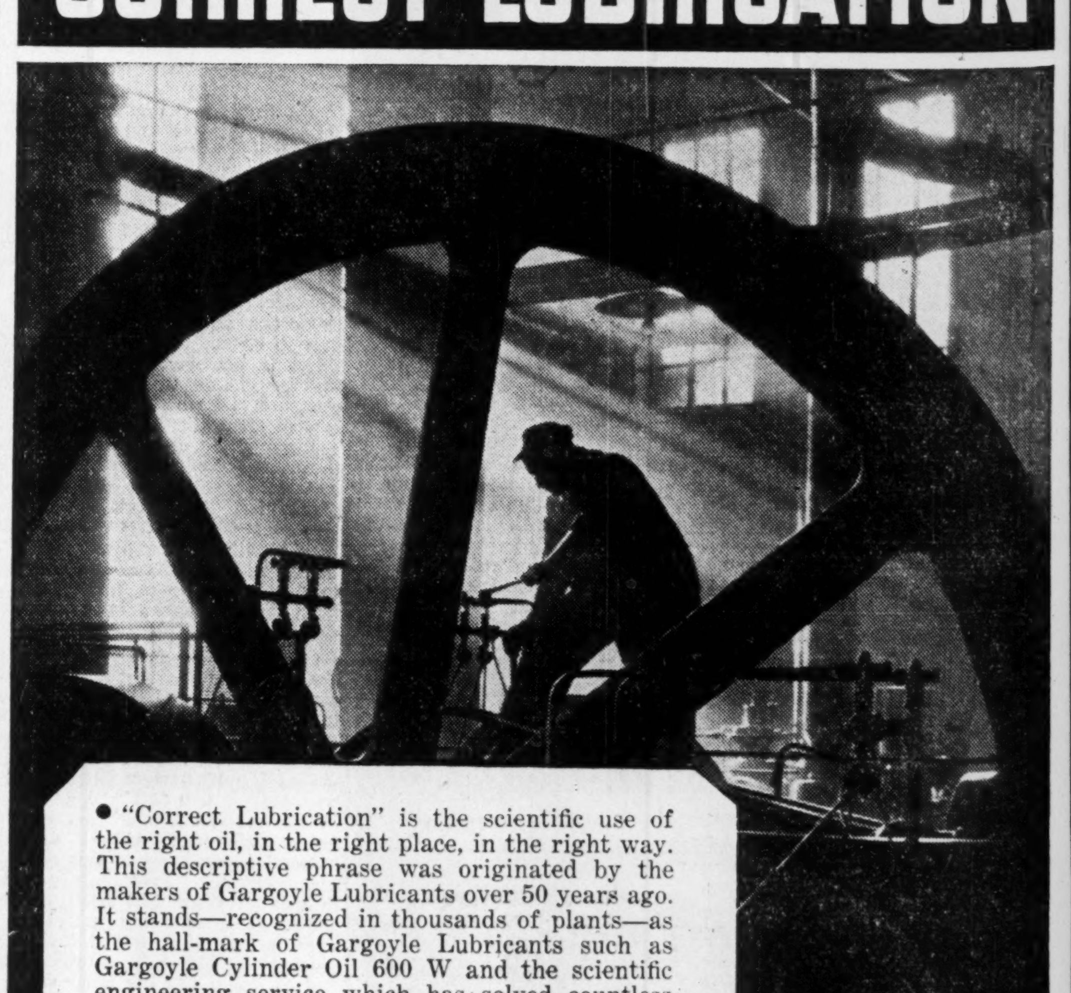

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